Culture and Public Action: An Introduction[1]

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Introduction

This book is motivated by two preoccupations. The first is that cultural factors matter for Development, and have been either insufficiently included or completely ignored in the mainstream discourse. The second concerns inadequacies over some of the ways in which culture *has* been included – as a primordial trap, a mystical haze, or a source of hegemonic power   – rather than a commonplace, malleable fact of life that matters as much as economics or politics to the process of development.

But what is culture? It has been defined in myriad different ways (Kluckhohn and Kroeber, 1963) and we hesitate to privilege one definition over another. Our general view is that it is fundamentally about relationality – about the dynamics of relationships between individuals within groups, between groups, and between ideas and perspectives. This would include notions such as identity, aspiration, symbolic exchange, coordination, and structures and practices that serve relational ends such as ethnicity, ritual, heritage, norms, meanings, and beliefs. These aspects of culture are inherently subject to change, are influenced by social and economic transformations, and – importantly - contested. Culture therefore, does not refer to a given set of primordial phenomena permanently

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embedded within national or religious groups, but to attributes that are constantly in flux, both shaping and being shaped by other aspects of human interaction.

How does culture matter? It can be of inherent value – a source of pride and aspiration, a point emphasized by Amartya Sen and other contributors to this volume. But, to use Sen's language, culture is also part of the set of capabilities that people have – the constraints, technologies, and framing devices that condition how decisions are made and coordinated across different actors. There is, therefore, no presumption that cultural processes are inherently "good", or inherently "bad," for economic and social development.   By reproducing inequality and discrimination, they can be exploitative, exclusionary and conflictual – resulting in what Sen has called "relational deprivation" (Sen, 2000). Cultural processes, however, can also be harnessed for positive social and economic transformation, through their influence on aspirations, economic and social behaviors, the coordination of collective action, and the ways in which power and agency works within a society. A focus on culture is necessary to grapple with the difficult issues of *what* is valued in terms of well-being, *who* does the valuing, and *how* cultural factors are formed and interact with economic and social change.

To get beyond generalities and fix ideas on the relevance of culture for public action, we turn to two examples: the first shows how a failure to pay attention to culture led to a less than effective policy intervention, and the second how a careful attention to cultural conditioned processes led to a highly successful project.

Famine in the Sudan: how missing the culture dimension diminished development effectiveness.

The first case, based upon the case study by Simon Harragin in this volume, illustrates how a failure to pay attention to local cultures – in particular to notions of kinship and social structure - reduced the effectiveness of a response to a famine in Sudan. In early 1998, relief workers began noticing signs of the sudden onset of a catastrophic famine in Southern Sudan. Partly because of a debate over the severity of the famine, Operation Lifeline Sudan, which was formed to tackle such problems in the area, did not organize large infusions of food till August 1998. A task force concluded that there had been a lack of 'contingency planning' in the relief operation and that Operation Lifeline Sudan had 'underestimated the total number of people in need' (SPLM/SRRA - OLS 1998). Why did such a large, complex and well intentioned effort fail to intervene in a manner that might have pre-empted the famine?

The famine relief organizations were concerned that the famine was being caused by food hoarding, allegedly by corrupt chiefs and the military, rather than severe lack of food. The concern was highlighted by the observation that food destined for 'the vulnerable' was being taken over by local leaders. Harragin's field investigation found that the leaders were, in fact, appropriating the food to distribute it equally to all members of their kin group and that the targeted "vulnerable" members of the group were willing participants in this. For instance he observed an old lady go to a secret location designated by a local chief and put her ration back into the collective pot to be redistributed amongst everyone, rather than go under a tree and cook and eat her food

alone. Aid workers perceived this as "elite capture," and made attempts to by-pass local leadership structures and target aid directly at the most vulnerable. The fact that vulnerable groups were themselves complicit in these practices only indicated to aid workers the degree to which the weak were subservient to the powerful. Any 'redistribution' of assistance was viewed as being evidence of corruption.

Harragin argues, however, that the perception of the aid workers was based upon a lack of knowledge of local cultural systems. They were unaware that the basis of ownership of economic resources in southern Sudanese society meant that relief that was given to a village had first to be re-assigned to the economic units within the village that actually owned resources - the kinship groups. The key economic resources - cattle - are owned by a small group of kin with common grandparents. Even in a famine it is unlikely that a man will approach an unrelated person to ask for food. It is therefore felt to be important that all the separate economic units (the lineages) receive their fair share in a distribution of relief food, before these lineages choose which family members have the greatest need. The health of the kinship system depends on having resources to circulate. It is with this aim that food is reassembled and redistributed on a kinship basis. Survival of the kinship system was seen to be almost as inherently important as physical survival. There were, as with any welfare system, individuals without kin that were left unprotected by this system, but it was the groups traditional mechanisms for sharing out meager resources to a large population in need.

The decision of leaders to conduct a general distribution to all kinship groups, who then targeted the needy within their families, showed not only their desire to work within their existing, culturally based value system, but also the importance of local people caring for their own rather than allowing them to be targeted by outsiders. This equal sharing of meager and declining resources led food shortages having a, more or less, equal impact on the population. Thus, obvious signs of malnutrition did not appear till a point where they were quite widespread.

What can be learned from this account? This was a well-intentioned "failure." Relief workers may have been attempting to circumvent traditional redistribution mechanisms because they were judged to be inegalitarian. Many traditional allocation systems do indeed have exclusionary and sexist features. There may have been a case for cultural change within the group to deal with inefficiencies or inequities in their practices. But in a famine practical choices have to be made that recognize how individuals and groups behave. By not grounding their intervention within local understandings of distributional norms, relief workers seem to have underestimated the impact of food shortages until it was too late. Moreover, attempting to work around those norms with technocratic targeting approaches proved fruitless and inefficient. The solution to the crisis of 1998 eventually came through sending in more food, and not through better targeting, but resources could have been saved and hardship avoided if the aid workers had a better understanding of local kinship and value systems.

How a cultural lens improved development effectiveness: the HIV-AIDS intervention among sex workers in Sonagachi, Kolkotta[2]

The second case comes from Kolkotta-India, which has been the site one of the most remarkable transformations among sex workers in recent history. Sex work is perhaps more stigmatized in India than in most parts of the world because of strong social restrictions on sexual behaviors. Women who become sex workers are considered to have "fallen" into a life of "shame." Only about 10 per cent enter the profession voluntarily, most being forced into it either because of poverty, abandonment or violence by husbands or other family problems[3]. The sex workers are almost always part of a brothel under the ownership of a madam or pimp.

Sonagachi is Kolkotta's oldest and best established red-light district with over 4,000 sex workers working in 370 brothels that service about 20,000 clients a day (AIIPHH, 1997). Because of the intense level of stigma, Sonagachi is a world unto itself. Sex workers have developed their own sub-culture. (See the paper by Carol Jenkins for a discussion of sexual subcultures, and their role in HIV/AIDS) While life is dominated by madams and pimps, there are an associated set of actors – tea shop owners, restaurants, babysitters (usually retired sex workers) – who provide a hinterland of social and economic support. Stigma induces several strategies to acquire respectability. One of the most common is a form of marriage where women associate themselves with long-term clients called *Babus* (who may themselves have "respectable" wives and children living in other neighborhoods) even though they remain active in the profession. This sex worker sub-

[2] See Gooptu (2000) and Jenkins (2000) for more details on the Sonagachi transformation.
[3] Sleightholme and Sinha, 1996

culture is self-contained, shaped by a pervasive sense of exclusion from the mainstream, as well as conditioned by the market for sex work – selling a diversity of services to a diversity of clients for a diversity of prices.

Until the 1990s, interventions in Sonagachi tended to focus on their "rehabilitation", with social workers attempting to "rescue" women who were taken to shelters, with training in income-generating activities such as tailoring, in an attempt to wean them away from sex work. However, the stigma associated with their history as sex workers, and the relatively high earnings,[4] led most women to return to the profession. With the onset of the AIDS crisis, public health workers had serious concerns over the potential for sex workers to become vectors for the disease, not least because they faced losses of over 50 per cent of their income if they used condoms[5]. In this context, the All India Institute for Public Health and Hygiene (AIIPHH), led by Dr. Smarajit Jana, initiated a new approach in Sonagachi in 1992. They began by treating sex-workers with respect, as individuals who belonged to a profession with unique occupational hazards. After spending many months in the community providing basic health services, they gained a deep understanding of the sub-culture, of the various actors – the pimps, the madams, the clients and the prostitutes -- while gaining a good rapport with them.

Gradually, by 1993, Dr. Jana, in consultation with the sex workers, developed an innovative strategy to increase awareness about HIV-AIDS in Sonagachi. Instead of using health extension workers to spread the message, which was the conventional

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[4] Rao et al. (2003)
[5] Rao et al. (2003)

practice in Indian public health interventions, Jana decided to train a small group of sex workers as peer educators to pass information to their co-workers. The only thing that distinguished peer educators from other sex workers were green medical coats worn over their sarees when they engaged in their public health functions. This not only distinguished them from other sex workers, it also gave them a sense of self-worth and a "respectable" identity.

The process of educating the sex workers and mobilizing them for the HIV-AIDS intervention, along with the media attention that success brought Sonagachi, led to a cultural transformation for the sex workers. Their vision of themselves changed, and they organized an effective union to fight for legalization, reduction in police harassment, and other rights. They routinely organized public events, such as festivals, cultural programs, and health fairs which contributed to the process of mobilization, the removal of stigma, and changes in identity and aspiration. The program has been remarkably successful as a health intervention, with almost all sex workers using condoms at least some of the time. As a result, HIV incidence in Sonagachi was about 6 per cent in 1999 compared to 50 per cent in other red-light areas (including Mumbai's) that have not pursued such a culturally attuned approach.. The Sonagachi project is an example where a deep understanding of the local sub-culture led to a project design that was extremely effective in meeting its objectives, while generating additional positive effects on aspirations that led to a cultural transformation of a social excluded community.

These cases illustrate a number of themes that will be taken up in this chapter and the rest of the book. Deprivation is often related to culturally based inequalities, between groups within a society, and between development agents and target populations. Part of a culturally embedded approach involves paying attention to factors that may be common sense to the intended beneficiaries, but are often considered exotic, irrelevant, or irrational by the policy maker. Ignorance of this contextualized notion of "common sense," which James Scott (1998) calls *metis*, has been endemic among policy makers, in governments and in development institutions. As Scott masterfully demonstrates, by ignoring "common sense", policy makers may impose a structured and formulaic set of interventions on societies that ill serve the purpose of improving well-being. Common sense, understood as part of a cultural system (Geertz, 1983) is a way of making sense of the world by providing a knowledge base that shapes how people understand themselves and provides stability to human interaction. The cases above illustrate that an intervention that pays attention to local behaviors and makes the effort to foster shifts in collective identity in a direction that builds a sense of collective aspiration, can be very successful. However, when interventions ignore existing social norms and impose a view of the world that is external to the target group, this can result in large inefficiencies.

But the cases also tell us something more, about the role of agency and cultural change in the context of unequal relations between groups. The Sonagachi sex workers, as a stigmatized group, reacted positively to an intervention that mobilized them in a manner that helped improve their sense of self. The use of peer educators had both symbolic value as a signal that AIIPHH respected sex workers enough to treat them on par with

medical personnel , and practical value as an effective way of spreading the message of safe sex via individuals who were intimately familiar with the profession.   In Appadurai's terminology, their "terms of recognition" were improved, and this fostered their "capacity to aspire". The Sudan famine, on the other hand, demonstrates how the inequities inherent in the relationship between donors and beneficiaries can result in weak information flows and a poorly designed intervention. Inequalities can matter both within populations and between development workers and target groups.

A culturally informed perspective is not so much about recognizing a "thing" as it is a lens and a way of relating. It represents a way of knowing that incorporates an understanding of how individuals are driven by a culturally influenced set of motives, incentives, beliefs, and identities that interact with economic incentives to affect outcomes. This way of knowing also sees the agent of public action - whether from government, an NGO or an external donor - as an important actor, both as an instigator of change and as part of the unequal relations that inhere within the donor-beneficiary relationship. We believe that incorporating this lens into the more conventional economic ways of understanding will, in many situations, lead to more effective policy.

The challenge is in the "How". How do we develop a framework for analysis and action around these issues? Before expanding on this theme we provide some context in selected strands of development thought and practice.

Some Context in Thinking and Practice on Culture and Development

That culture is related to the process of development is not a neglected notion. There have been, over the years, many sophisticated contributions to the exploration of this relationship, as well as a range of approaches to including culture in development action.

Culture and development thought.

In the world of thought, current rhetoric on culture and development tends to be dominated by two extreme views. The first is a modernist perspective, recently exemplified in the work of Harrison and Huntington (2000) that "culture matters" because societies steeped in traditional cultures are unsuited to market-oriented development and so are fundamentally hampered in their pursuit of growth. In this perspective, poverty and low rates of growth are deeply affected by perverse rules and norms that constrain growth because of world-views that reduce incentives for mobility and investment. The challenge for development is then to reform culture by inculcating more growth- and mobility-oriented perspectives, via education or other means of transforming "toxic cultures[6]". Culture here is the enemy – a voice from the past that inhibits societies from functioning in the modern world. Max Weber's thesis on the particular suitability of the Calvinist ethic to capitalism is evoked as the distinguished progenitor of this perspective.[7] His less well-known argument that Confucianism was inherently incompatible with capitalism is less frequently cited, particularly by those who argue that the East Asian miracle was also culturally determined, whether through the

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[6] A term employed by Professor David Landes at the "Culture Counts" Conference in Florence in 1999.
[7] Weber, 1958.

virtues of Japanese culture, Confucianism or more general Asian Values. (See also Reid, 2000, and Sen in this volume for a critique of this approach).

At the other extreme are the cultural critics of Development, such as Arturo Escobar (1995). Escobar applies techniques of deconstruction, in the tradition of Michel Foucault, to study the discourse of Development as a cultural system, focusing in particular on how economists shaped the modernization perspectives that have dominated Development since the 1950s. This dominance is seen as a form of neo-colonialism whereby Western ideologies and interests created a "mechanism of control" that have led to the "creation" of the Third World. To Escobar, economists, and their domination of the IMF and World Bank, are the primary culprits in creating an ideology of Development that reified the distinctions between the North and the South that had emerged from the colonial era. Culture here is seen as a system of ideological control that reifies existing "macro" inequalities between rich and poor countries, and "micro" inequalities between westernized and indigenous groups in poorer countries.

We do not wish to characterize what we label as "extreme" perspectives as extremist, but rather as extreme bounds along a continuum of diverse views. We do not dismiss the idea that there is a culture of Development associated with the dominance of mainstream economic views in the development discourse, and which has had a powerful, and not always positive, effect on thought and action affecting the world's poorer countries. We also do not reject the idea that culture and history may affect the manner in which societies adapt to markets. However, we differ from both extremes. We find that

Escobar's Foucauldian take on Development leaves little room for constructively integrating notions of cultural processes with notions of economic change to improve the mechanics and meaning of policy in the developing world. We also find the "Culture Matters" perspective exemplified by Harisson and Huntington to be overly static and simplistic in its diagnosis of the development problem. Escobar would perhaps see it as the ultimate expression of the hegemonic modernism that he is so critical of.

The middle ground that we seek has a long and distinguished history. At a practical level, there were important contributions from Development Anthropology and Sociology (e.g. Cernea, 1985). There were explicit attempts, at a conceptual level, to examine the link between culture and development exemplified by a collection of essays edited by Marglin and Marglin (1990) that was the result of a WIDER conference. At the empirical level, Bardhan (1989) was a pioneering effort to bring anthropologists and economists together to conduct a fruitful dialogue on the measurement of economic and social change in rural India. One could easily argue that this history goes back to the founders of these disciplines – Adam Smith, Karl Marx, Emile Durkheim and Max Weber (who it should be remembered was a professor of political economy).

It is beyond the scope of this introductory article to provide an exhaustive history of the role of anthropology in Development thinking – Arizpe (this volume) provides an admirable introduction to this subject from the perspective of the UN and the World Bank, as do Schech and Haggis (2000) who have a more academic focus. It is also beyond the scope of this article to provide a summary of thought in Economic

Development – these can be found in Ray (1998) and Basu (1997). We will, however, highlight the work of three contributors to this volume, Sen, Douglas and Appadurai have been deeply influential in carving out a middle ground within social and economic ways of knowing, and their articles serve as anchors to this volume. In order to place these contributions in context it may help to briefly position their work within the context of their larger body of work and that of others who have worked at the cusp of economic and social theory – particularly in the context of Development.

Culture, as Kuper (2000) points out, has been the "special subject" of Anthropology[8]. Among anthropologists, central figures such as Clifford Geertz have consistently engaged with economists. Geertz is well-known for his seminal contributions to theories of culture (Geertz, 1973), but he was an early proponent of the use of the (then) new economic tools of game theory and information economics to model cultural phenomena – particularly in the context of Development (Geertz, 1978). Mary Douglas, whose classic work on rituals and taboo (1966) and the anthropology of the body (Douglas, 1970) later developed a more general form of cultural analysis known as Culture Theory, has also engaged with economists throughout her career. With Brian Isherwood (1976) she provided a theory of preference formation that was integrated with economic theories of consumption, and in the process provided a cultural theory of goods and markets. In her joint work with Aaron Wildalvsky, she developed an anthropological theory of risk to bring in cultural notions to a subject that had till then been dominated by statistically

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[8] Despite this long engagement, Klitgaard (1994) suggests four reasons why cultural notions have not yet become part of the mainstream practice of Development. These are: differences in the cultures of economics and anthropology, the fear that taking culture into account will lead to an oversimplification and misguided use of complex ideas, the sheer difficulty of constructing an analytical apparatus for the subject, and a "misguided notion of policy analysis."

grounded individualistic perspectives from economics and the decision sciences (Douglas and Wildalvsky 1982, Douglas 1992).

Among the next generation of anthropologists, Arjun Appadurai's influential contributions have been central in understanding the links between economic, cultural and social processes of change. Appadurai has engaged with economists on issues of data collection (Appadurai, 1989), and in examining the moral dimensions of economic change (Appadurai, 1990). He edited a seminal collection of articles by historians and anthropologists that argued that "commodities, like persons, have social lives." (Appadurai, 1986) revisiting the relationship between exchange and value by emphasizing the transitions from social to economic value. More recently, he has provided a way of extending our understanding of global exchanges, by integrating the nature of economic flows with the flow of ideas, people, technologies, and information (Appadurai, 1996). Steven Gudeman is another scholar whose body of work (Gudeman 1978, 1986, 2001) is a testament to how someone initially trained in economics, but who switches to anthropology after discovering the social and cultural embeddedness of economic processes in the field, is particularly well positioned to develop powerful integrative models of socio-cultural and economic life.

Among economists, Amartya Sen's reinterpretation of the meaning of development and of the role of agency within it, has provided much of the intellectual rationale for change in development practice. For most economists the goal of development has been the maximization of material well being. Sen interpreted well-being much more broadly in

terms of a person's "capabilities"—the potential she or he has to convert entitlements over goods and services into a range of "functionings", or the various things that a person may value doing or being, from being well-nourished to participating with dignity in society.[9] The translation of potential into chosen functionings is a product of active choice by the individual as an agent—"as someone who acts and brings about change" in economic, social and political domains, making use of their capabilities and indeed influencing personal and public action that determines the future formation of capabilities. The extent to which such agency can be effective depends on the broader institutional context, and especially the extent to which the political, governmental and social institutions of a society allow for the influence of all agents. An emblematic statement of this linkage was Sen's comment that a famine has never occurred in a functioning democracy with a free press.

Albert Hirschman's work, particularly in *Exit, Voice and Loyalty* (1970) has been influential both in economics and other social sciences. In it he provided a powerful model of actions that were outside the realm of economics, but could have a transformative effect on economic life. Hirschman, in later work (Hirschman, 1984), tried to link some of these explicitly to problems in development. However, only in the last two decades, with the resurgence of interest in issues of "voice" and agency in development practice, have these ideas been applied to development practice.

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[9] See Sen 1985a, 1992, 1999, 2000

Development Economists in the 1970's and 1980's made a concerted effort to conduct field work in poor areas and to build models of phenomena that were grounded in the realities of the poor. Bliss and Stern (1982) focused on one village in Northern India and discovered that conventional economic models often missed what was centrally important in determining poverty[10]. Bardhan (1984), similarly, showed how labor markets, land markets and credit markets were closely inter-linked and tied into to local political, cultural and social structures.

Work in institutional economics, associated in particular with Douglass North and Avner Greif, integrates the tools of economic and historical analysis to outline a model of economic change that acknowledges the importance of culture. To North, formal and informal institutions—defined as the "rules of a game in a society or, more formally, the humanly devised constraints that shape human interaction[11]"—are at the core of economic life, and institutional change is the key determinant of economic change[12]. Development policy, however, has tended to focus on formal institutions while paying much less attention to informal institutions[13] which shape what North calls "informal constraints" which he states "come from socially transmitted information and are a part of the heritage that we call culture[14]." To North these informal constraints form the "governing structure" "defined by codes of conduct, norms of behavior, and

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[10] This was updated in a several subsequent visits summarized in a volume by Lanjouw and Stern (1998)
[11] North, 1990 Page 3.
[12] See World Bank (2002) for an extended treatment of the role of institutions in the market arena, that is very much in the tradition of North.
[13] Development research has increasingly begun to take note of these constraints. For instance see Platteau (2001) who links North's notions of formal and informal constraints to problems of economic development, with an emphasis on property rights and social norms.
[14] North (1990), Page 37.

conventions," that shape our "daily interaction with others, whether within the family, in external social relations, or in business activities[15]." Greif (1994) translates some of these notions into formal game theoretic models. His seminal work compares "individualist" Genovese traders with "collectivist" Maghribis in medieval Mediterranean trading networks, and shows how "individualists" had to develop formal institutional enforcement mechanisms to manage their activities, while "collectivists" did this more informally with trust based systems. Therefore, one could argue that individualist cultures are more conducive to the development of formal property rights.

While Geertz (1976) was perhaps the first to "model" the link between culture and the transmission of information, there is a range of work that recognizes the centrality of problems of coordination and of information in economic life, that is in particular associated with George Akerlof (1984) and Joseph Stiglitz. Two aspects of this work is of particular relevance here. First, issues of information and coordination failures, that make a fundamental difference to more restricted models of behavior, are essentially about relational issues between people (Hoff and Stiglitz, 2000) —a theme of this chapter. Second, institutions, including cultural practices and norms, can be seen as solutions to these problems. More recent work by economists has tended to emphasize this theme. Basu (2000) develops some of these ideas in greater detail, demonstrating ways in which economists can conceptualize the social and political embeddedness of economic activity. An interesting approach to this research agenda is Chwe (2000, 2001), who sees rituals and other forms of collective cultural expression as solutions to

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[15] North (1990), page 36.

coordination problems. Here, in order to generate collective action, an individual within a group must know what others in the group know, they in turn must know what she knows, and she in turn must know that they know that she knows, and so on – what game theorists call common knowledge[16]. This is also related to recent work by Basu and Weibull (2002) showing that traits that are considered cultural – like a norm for punctuality – are the result of equilibria resulting from rational strategic interactions in societies where people become punctual because others are punctual, rather than an atavistic preference for punctuality.

The Evolution of Development Practice

There are a number of strands in development practice that parallel both the patterns of thought just sketched and resonate with the perspective on culture within this book.

As Arizpe discusses in her contribution, the UN system has been a central domain for discourse over culture, though it has embodied a classic tension between the universalistic principles of the founders, and the practical realities of it being a club of members with diverse cultures. Attempts to reconcile this have taken the form of at the same time declaring a set of universal rights and principles (some of which are inconsistent with the "cultures" of its members) and the right of respect for culture. A

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[16] This sense of culture as a coordinating system is close to the view of many anthropologists. For example, to Geertz (1973) culture is "an ordered system of meanings and symbols… in terms if which individuals define their world, express their feelings and make their judgments." Douglas and Isherwood (1979) link culture directly to economic life by arguing that "consumption is the very arena in which culture is fought over and licked into shape." For them the "essential function of consumption is its capacity to make sense."

similar ambivalence is seen in the allocation of responsibility for culture to one agency—

UNESCO—rather than seeing culture as affecting most of the UN's areas of concern.

While UNESCO is perhaps best known for its work on cultural heritage, it also

contributed to important syntheses of the role of culture, involving respect for diversity

and interactions with markets, that are consistent with the themes here.[17] Meanwhile in

the Human Development Reports, the UNDP helped popularize Sen's broadened

conception of ends and means in the development process.

Within some development agencies, there was a pragmatic recognition that good

development practice needed to take account of social factors. For example many

European bilaterals—including the Nordics, the Dutch and the British—have both

advocated and supported attention to social and political conditions. In the World Bank,

Cernea (1985) was a pioneer in advocating attention to social context for development

effectiveness. Also important was the focused attention on respecting the cultures of

indigenous groups in the design of policy and projects—with the development of specific

guidelines on approaches of engagement and debate with such groups (see Alkire, this

volume). By the second half of the 1990s, the World Bank was illustrative of broader

trends in international development, with widespread use of participation in range of

sectors—from water to social funds—rising attention to issues of social capital,

increasing use of participatory research within country-based poverty analyses and more

recently a scaling up of community based development[18]. Culture as a concept began to

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[17] See UNESCO (1998)

[18] This approach has been deeply influenced by views from Participatory Development of which Robert
Chambers has been an important proponent (Chambers, 1999). Cooke and Kothari (2001) and Abraham

make explicit inroads into thinking about policy (see Serageldin and Tabaroff, 1994) and was explicitly developed as a theme by James Wolfensohn, President of the World Bank (Wolfensohn 1998).

Many of these flows in thought and practice were synthesized in the World Bank's millennial World Development Report (World Bank, 2002) on poverty. This introduced the concept of "empowerment" as one of the central pillars of poverty-focused development, as a complement, not a substitute, to action to expand opportunity through expansion of market opportunities and creation of physical and human capital. This was, to a significant extent, catching up with thinking that had been current in the UNDP Human Development Reports for several years. Associated with this was the broad compilation of participatory research in the Voices of the Poor under the supervision of the World Bank.[19] Despite the tradeoffs inherent in sacrificing depth for breadth, several findings were notable for their repetition across sites - the multi-dimensional nature of well-being, the deep mistrust of public institutions, the role of risk, the importance of social relations, concerns over violence and the vulnerable position of women. Especially coming from the World Bank—the archetypically High Modernist top-down development institution (in Scott's terms)—it was also emblematic of a cultural shift toward seeking to listen rather than tell, in at least part of the institution's practice.

There remains, however, a large gap between initial conceptualizations of the role of culture in the development process, and practical public action. Cultural notions,

and Platteau (in this volume) are sharply critical of the alacrity with which this approach has been appropriated by development agencies.
[19] See Narayan et al (2001), Narayan et al (2001). Brock and McGee (2002) provide a critique.

sometimes informed more by concerns that arise in the course of managing a project than by the scholarship on the subject, are now routinely incorporated in practice. Yet, for the most part, academic anthropologists remain focused on critiquing Development rather than engaging with it constructively. And economists, for the most part, either treat culture as emblematic of a tradition-bound constraint on the development process, or ignore it all together. Let's now turn to some ideas on how to address the gap, in terms of both thinking and practice.

Culture, Well-Being and Inequality of Agency

Adopting a cultural "lens" to Development is a complement to, not a substitute for, more traditional forms of development analysis. Two themes are developed: first, that cultural factors have to be understood as part of an interactive system, in which many other influences are at play, notably economic, political and ecological conditions; second, that it is valuable to frame the developmental question in terms of the relationship between cultural influences and the agency of individuals and groups. Agency, the capacity of people to influence factors that affect their lives, has to be understood within the social and cultural contexts within which they live. It is useful to present these points in several steps: we first outline how culture fits within a system; then discuss how these can be associated with the perpetuation of inequality; from there we look at the question of cultural change and structural transformation; and briefly look at links to economic growth. This forms the basis for the following section on implications for public action.

Culture as part of a dynamic system

Culture is not a given, as idealist-deterministic views suggest. Nor are individual

preferences given, as mainstream economics assumes. Culture is part of a dynamic

system. A group's belief-systems, preferences, aspirations, social organization and

associated behaviors are themselves a product of influences from material and socio-

cultural initial conditions. These flow from economic processes, the cultural histories of

the groups themselves, forged in interactions with other groups, all intermingled with

structures of power.   But cultural factors also influence economic behavior, via their

influence on preferences, through their contribution to information, coordination, and via

inter-group interaction.

The general approach can be illustrated by elements from the three main conceptual

pieces in this volume. Amartya Sen extends his work on capability, freedom and agency

by focusing on *how* culture fits into the development process in terms of both ends and

means, as a constitutive part of the good life, as an instrumental influence on the behavior

of individuals, firms and governments (including on social and political engagement),

and as a constructive factor in the content of value. He shows how the deterministic view

of culture's impact on development is inconsistent with the historical record. Societies

with distinct cultural experiences have shown a capacity to adapt to new demands and

opportunities within the development process, including the demands of capitalist

development in an integrating world. But this does not imply that culture does not matter

or is simply malleable to material conditions. At a point in time culture can have a potent

influence on the behaviors of groups, of businesses and of the state, for good and ill. This is a dynamic product of interactions with public action and economic conditions.

Mary Douglas provides a new synthesis of her thinking on Culture Theory to examine how it can shed light on understanding poverty and the process of development. We would highlight here her perspective on the relationships between culture, institutions and development, based on the view that preferences and constraints are co-produced. This is of particular interest to the volume since it can be seen as a critique (or an extension) of some traditions of thinking on institutions within, and outside, the economics profession. She employs a four-fold "grid-group" classification of sub-cultures ranging in increasing order from weak groups to strong groups on the X axis, and descending from strong grids (hierarchical structures) to weak grids on the Y axis. Therefore a sub-culture on the bottom-left cell with a weak grid and weak group would be "individualist". A sub-culture on the upper right cell with strong grid and strong group would be "hierarchical." Most sub-cultures can be classified into these cells and their interaction and co-existence forms a useful way to understand to cultural dynamics of a society. Douglas uses this classification to critique the individualist-collectivist dichotomy prevalent in the work of economists such as Greif and North as incomplete. She argues that all societies have co-existing multiple cultures, often and healthily in vigorous contestation, even though some subcultures may dominate while others take (self) destructive paths.

Arjun Appadurai's in his contribution proposes a reorientation in how we think of the relationship between culture and development – towards a focus on the future rather than

the past.   Arguing that how one conceives the future is just as much a cultural process as how we understand the past, he develops the notion of "aspiration" as a cultural capacity. This provides an anthropological perspective on forward-looking behaviors that complements "expectations"-oriented economic approaches. It avoids the old division of development as forward-looking, and culture as backward-looking, laying the basis for a potential alliance between cultural notions and the future oriented logic of economic aspects of development. It also has implications for inequality, that are discussed below.

These perspectives contribute to a potential synthesis on the relationship between cultural factors and economic development. How people behave lies at the heart of the development process, from household decisions on schooling and health of their children, to the response of small and large entrepreneurs to economic risks and opportunities. Interactions between individuals and groups also affect a whole range of decisions requiring collective action, from relations between workers and firms, to the motivations of government workers, and informal mechanisms for risk management. In much of mainstream economic thought, motivations, preferences and behaviors are typically either treated as a black box, or are hidden in assumptions of individualistic maximization of utility subject to external constraints. A cultural lens helps open up the black box, in understanding how developmentally relevant behaviors can emerge in response to the *combination* of socialization processes and economic conditions. Culture also helps resolve information problems, for example through the mechanisms of production of

"common knowledge[20]" emphasized by Chwe, and in providing the basis for collective action (including via the cultural basis for networks and norms of trust, often known as social capital—see also below.)

Such a synthesis creates a home for individual and social agency. The individual view of agency has a long tradition in civil and legal thought, and focuses on the capacity of individuals to act, to be free, to make choices, to be "autonomous, reasonable and responsible" individuals.[21] This has been extensively elaborated by Sen (1985) who in particular emphasizes the links between agency and freedom, and the role of power to effect change as forming an important part of the conceptual basis for freedom: "..A person's freedom may well be assessed in terms of the power to achieve chosen results: whether the person is free to achieve one outcome or another; whether his or her choices will be respected and the corresponding things will happen." We would add the embeddedness of this capacity within social and cultural systems. The interactions between human beings, their relationships, the interactions between groups, ideas, and institutions, all affect human agency and can contribute to their well-being and capacity to effect change.

Culture as a Value

As Sen points out, culture is an end in itself, as well as a means to an end. Arjo Klamer, in his contribution focuses on the inherent value of culture - on its ability to inspire,

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[20] A definition of a game where all players know the structure of the game, know that the other players know it, know that others know that they know it, and so on. See Osborne and Rubenstein (1994) for a more precise definition.
[21] O'Donnell (1999)

express, and symbolize collective memory and identity. While he focuses on cultural

products, this has more general application. A cultural lens permits a recognition of this

value. A country's heritage -- its monuments, museums, sacred sites, expressive and

artistic traditions – therefore, have a value that goes beyond the economic. They

contribute directly to well-being. This presents a particular development challenge – how

do we assess the inherent value of culture[22]? To what extent should a country invest in

taking care of its cultural heritage? The question is particularly difficult for a poor

country facing tradeoffs in its ability to provide basic necessities of life such as good

health, education and jobs. As Sen argues, sometimes entities with an inherent cultural

value may also have an economic value, for example as tourist sites, but there remains a

need to assess their cultural value independent of their economic worth. Klamer

emphasizes the centrality of interactions between different actors in the development of

valuations within social groups. This echoes a broader theme of the book on the role of

debate, participation and deliberation to make choices. Below we discuss the importance

of the culturally-influenced terms of such engagement.

Expressive traditions and heritage are also, of course, means to an end. Sociologists

since Durkheim (1912) have argued that collective celebrations and heritage serve an

important function by providing a site where communities reify their group identity.

Turner (1982), for instance, argues that when a social group celebrates a particular event

it "celebrates itself" by "manifesting in symbolic form what it conceives to be its essential

life." Thus, cultural events may serve to build social cohesion by reinforcing ties within

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[22] See also Throsby (2000) for some valuable insights on this point.

a community. By providing a space where everyone can view everyone else's behavior they also generate common knowledge and help solve the coordination problems inherent in collective action Chwe (1998). In this sense they help build the capacity for collective action. Thus, at the village level, expressive traditions like festivals and other collective rituals can enhance social cohesion and build trust while providing an arena in which families can maintain and enhance their social status (Rao, 2001a and 2001b). For these reasons, "culture as expression" is an important component of "culture as identity" and requires serious attention from policy makers.

The perpetuation of disadvantage

The account so far could apply to any group, or to an equal, homogeneous society. Let's now bring in one of the major themes of this volume--the interactions between culture and inequality and the perpetuation of disadvantage. But we need to start with an immediate clarification. There is a tradition of work on "the culture of poverty" that attributes the persistence of poverty to cultural attributes of poor groups. As discussed in this volume by both Mary Douglas and Lourdes Arizpe, a poverty diagnosis that "blames the victim" has not proved a fruitful path, either on empirical or ethical grounds.[23] Poor people display a remarkable capacity to adjust to extraordinarily difficult circumstances. A culture of poverty approach has exactly the essentialist view of culture that we argue to be incorrect. However, it is the case that conditions of poverty and inequality can be a product of cultural processes, and culture, economic conditions and power can interact to sustain disadvantage.

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[23] As Arizpe notes, it is probably unfair to attribute such a view, or indeed a reified notion of the role of culture to Oscar Lewis, who coined the "culture of poverty" phrase.

Perhaps the central idea from work of the social theorists in this domain is that different social classes, castes, ethnicities, have different cultural and social legacies which underpin social differences. A useful way of characterizing this is provided by Bourdieu's concept of *habitus* – the set of durable principles - practices, beliefs, taboos, rules, representations, rituals, symbols, etc.-- that provide a group of individuals with a sense of group identity and a consequent feeling of security and belonging[24]. This varies systematically across groups. Different groups face different "terms of recognition", in Appadurai's phrase, within a wide range of social interactions. This is incorporated within their *habitus* which creates what we could call *constraining preferences* which interact with economic constraints to affect choices and actions. To quote David Swartz:[25] "Habitus tends to shape individual action so that existing opportunity structures are perpetuated. Chances of success or failure are internalized and then transformed into individual aspirations or expectations; these are then in turn externalized in action that tends to reproduce the objective structure of life chances[26]."

To illustrate what we mean by these *constraining preferences*, lets take the example of a taboo - a proscription against certain types of behavior – for example, against marrying a sibling. The incest taboo is a feature of most human societies. Most people would not

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[24] This is our imperfect account of Bourdieu's definition of *habitus* , "a system of durable, transposable dispositions,…. principles which generate and organize practices and representations that can be objectively adapted to their outcomes without presupposing a conscious aiming at ends or an express mastery of the operations necessary in order to attain them. (Bourdieu, 1990h:53)   For a clear and comprehensive exposition of Bourdieu's body of work see Swartz (2000). Also see Bourdieu (1998) for a readable synopsis of his own world-view.

[25] Swartz (2000) page 103

[26] Piketty (1995) provides an economic model closely related to this idea.

consider breaking it, not because of fear of the social sanctions, but simply because the taboo is so deeply ingrained within their psyches. The taboo is *simultaneously* an inherent preference against incest, and a social constraint.[27] While the joint production of preferences and constraints is particularly clear in the example of the taboo, it is in the same sense that we refer to culturally produced dispositions, beliefs and behaviors in the *habitus* as leading to constraining preferences. Preferences derived from the Hindu caste system may create an acceptance of hierarchy and constrain the motivation for mobility, but these beliefs are also simultaneously external constraints; individuals from lower castes who engage in any form of class struggle may face severe social sanctions.

Timur Kuran, in this volume and elsewhere (Kuran, 1995), has a different take on this. To him the constraint is not internalized values and preferences, but a suppression of voice. The preferences of groups who are less vocal, but perhaps in the majority, could be suppressed because of "preference falsification" where an unwillingness to engage with a more aggressively enforced dominant perspective restricts their ability to express their true beliefs. In order to avoid the sanctions that come from expressing a perspective that could lead to confrontation, groups with less voice simply lie. This suggests the need for a process of discovery of what different groups believe and value, and a recognition of where there are genuine choices to be made. This perspective is related to our view of constraining preferences, with the difference that expressed, or revealed, preferences differ from underlying preferences. Kuran's example of a more liberal majority in Islamic societies being silenced by the voices of a radical minority is clearly a case of

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[27] See Douglas (1966, 1984) for a classic exposition on this theme. The incest taboo is now almost universally applied, but was clearly not the rule among Egyptian Pharaohs or the Inca leaders who were usually the children of brother-sister unions.

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preference falsification. "Man in the street" interviews conducted by journalists in repressive dictatorships where the interviewees express strong support for the regime are another. When those beliefs are internalized and part of the value system of all groups, we would conceptualize them as constraining preferences.

In heterogeneous societies cultural markers are thus an important way to classify hierarchal relationships between groups. Culture not only provides a way to classify *other groups*, but for members of a group to differentiate *themselves* from others. A disadvantaged group can consequently view its status within the hierarchy as correct and appropriate. By positioning a group within the social hierarchy, culture affects their sense of the possible. For those at the high end of the hierarchy it provides the means to maintain their high position, while for those at the low end it can limit aspirations, create discrimination, and block mobility. Bourdieu argues, therefore, that culture is a form of capital.

Bourdieu's conception of cultural capital represents an extension of the idea of capital to all forms of culturally derived power.[28] Cultural, social and symbolic resources can be drawn on by individuals and groups in order to maintain and enhance their position in the social order. As in the case of physical capital, these are valued resources and often become objects of struggle. According to Bourdieu, cultural capital has three states: it can be *embodied*, as "the ensemble of cultivated dispositions that are internalized by the individual through socialization and that constitute schemes of appreciation and

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[28] Klamer (this volume) and Throsby (2000) use this term in a slightly different sense more akin to view of capital as an asset unrelated to class structures.

understanding"[29], it can be *objectified* , as books, music, scientific instruments, etc. that require cultural capital for their use, and it can be *institutionalized* in the credentialing systems of educational establishments. Once cultural capital is embodied and institutionalized, it can be accessed by others within the group. It can also be used as a form of domination. Bourdieu calls this use of capital "symbolic violence" where dominant groups have the capacity to "impose the means of comprehending and adapting to the social world by representing economic and political power in disguised, taken-for-granted forms."

This aspect is important to keep in mind when considering the inherent value of cultural goods - their valuation may differ considerably across social classes. For example classical music, in most musical traditions, was originally the province of the elite, while the poor enjoyed popular and folk music. Thus the appreciation of classical music was a form of cultural capital, a part of the *habitus* of the rich which consequently helped reproduce inequality. Thus, if one of the goals of development is to reduce the incidence of poverty and inequality, investments in cultural goods may add to inequality unless access is distributed equally to all groups and classes. Similarly a monument or a sacred site may be politically charged, a symbol of great importance to a sub-culture that seeks to become dominant and simultaneously a symbol of oppression to another group. On the other hand, as Sen points out, they can also be potent symbols of tolerance. Thus, precisely because they have a value beyond the economic, cultural goods can have

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[29] See Bourdieu (1990) and Swartz (2000)

externalities that are both good and bad. Policy makers should take care to understand

these externalities well before committing resources to their propagation or preservation.

It may help at this point to clarify the distinction between social and cultural capital[30].

Social capital emphasizes the social networks available to people to access and mobilize

resources. In Bourdieu's work, social capital also contributes to the reproduction of

inequality because elites are able to access internal and external social networks that are

more powerful and wealthy. By contrast, the poor have less influential networks that,

while helping them cope with the vicissitudes of life, restrict their chances for mobility.

Different groups within a social system can have different types of social capital, and,

because it can be bequeathed, it plays an important role in the reproduction of inequality.

It is contextualized – because it co-mingles with *habitus* and cultural capital. It can be

used for constructive purposes – to facilitate collective action or to improve economic

productivity -- but also for destructive purposes by perpetuating symbolic or actual

violence[31].

The role of cultural capital can be illustrated by two classic examples of the perpetuation

of social difference. Let us expand on the idea of the Hindu caste system that we touched

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[30] It is important to note that Gudeman, among other anthropologists, prefers to use the word "base" instead of cultural and social "capital" because they "make the base, which consists of incommensurate things, into a commodity or resource endowment that actors bring to the bar of exchange," and this "marketize" it (Gudeman, 2002 (discussion of Sen and Appadurai).

[31] This approach to social capital is somewhat different from that of Putnam(1993), for whom social capital is seen as a "stock" of social norms and networks, from which people can draw to improve their incomes, which can be "built" to facilitate economic growth and development (Grooteart, 1998). This version of social capital has been criticized for not being sufficiently concerned with issues of class distinction and power (Fine (2001), affected by reverse causality (the link may go from wealth to more group activity just as much as the other way around) (Portes 1998, Durlauf 2001), and for not recognizing that it can be both destructive and constructive (Portes 1998). See Woolcock (1997), and Woolcock and Narayan (2002) for syntheses that are more in line with the approach taken here.

on above. Dumont (1970) in his seminal work on caste, argued that it exemplifies *Homo Hierarchicus* – where a belief in the rightness of the caste hierarchy is deeply internalized by both upper *and lower* castes.[32] In Dumont's view, Hindu beliefs, perpetuated by Brahmin upper castes, attribute the station of a person's birth to the stock of his or her rightness of conduct in previous lives – in other words to the person's *karma*. Persons born very low in the caste hierarchy deeply internalize this hierarchy and do little to question it, since they lack an ideology of equality. Any sense of mobility then derives only by behaving according to the conduct ordained for one's particular caste and station, which builds up the stock of good *karma* and increases the chances of having a more satisfactory birth in the next life. This perpetuates the caste hierarchy with little dissent. Preferences, which are a function of the dominant ideology, foster an internalized acceptance of one's low (or high) birth.

A second example comes from studies on the perpetuation of racial inequalities in the United States. Glenn Loury has assessed the range of mechanisms that underlie persistent differences in well-being between blacks and whites, that are reflected in significantly higher mortality rates (infant, maternal and young male), poverty incidence, rates of victimization, incarceration and teenage pregnancy. Race is interpreted as a socially constructed phenomenon in which "inheritable body markings ... have come to be invested in a particular society at a given historical moment with social meaning."[33]

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[32]Dumont's analysis has been criticized by various scholars for being too textually derived and not allowing resistance and mobility among lower castes (see also below), but it is recognized as being one of the seminal works of Indian sociology.

[33] For a recent synthesis see Loury (2002a)—the quote is from p. 20. See also Loury (1999) for an elaboration with respect to social exclusion in relation to economic thought. See also Loury's contribution to the conference on Culture and Public Action (Loury, 2002b).

Persistent racial differences have to be understood in terms " the tacit presumption of an essentialist cause for racial inequality, ascribing to blacks .. the virtual social identity that they are, in some sense, 'damaged goods' ".[34] This can work in many ways. Racial stereotyping can help explain how rational responses linked to race can lead to self-confirming patterns of behavior, in interactions between members of the same and different groups, whether in work, on the street or at school.[35] This can be reflected in the norms and behaviors within poorer black communities, for example in patterns of behavior that are valued on the "street" that are associated with violence, early sexual initiation and teenage pregnancy. But in arguments that echo Douglas' discussion in this volume, these preferences and behaviors are not a consequence of a preexisting "culture of poverty" of the group, but of the historical processes that produced them.[36] The perpetuation of difference, especially in areas of *developmental* disadvantage of blacks, has to be explained by stigma that "inclines one to look for insidious habits of thought, selective patterns of social intercourse, biased processes of social cognition, and defective public deliberations when seeking a cure."

These themes underlie several contributions to this volume. Abraham and Platteau focus on what happens in cases of participatory local development, where communities are directly given funds to control and manage. They argue, from an extensive review of

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[34] See Loury (2002a) p 159
[35] See also the work of the social psychologist Steele (1999) on "stereotype threat" among African American students. He presents experimental evidence to argue that the poor performance of capable black students has less to do with their ability or training, and more to do with "the threat of being viewed through the lens of a negative stereotype, or the fear of doing something that would inadvertently confirm that stereotype."
[36] See Anderson (1990 and 1999) for an ethnographic analysis of the workings of interactions between blacks and whites in poor, violent neighborhoods.

field experience, that effects of such development techniques will be mediated by the cultural context in which they occur. In the cases of "traditional" communities, typical of much of Africa and "indigenous" communities in Latin America and elsewhere, threats to the established ascribed patterns of cultural difference are resisted by community leaders. Elites often capture resources, and use them to further client-patron relationships with poorer groups. In both cases some benefits can pass to poorer groups, but this can be attenuated or transformed by these culturally based processes. Passing resources to local communities presents a particular development challenge, and is likely to have disappointing effects in accelerating development and reaching the poor unless it is designed in a way that takes account of the challenge posed by culturally embedded hierarchies.

Carol Jenkins examines the recent history of HIV/AIDS, and action to deal with this epidemic, from the perspective of two cultures that lie at the center of both the spread of the epidemic and the shaping of public action to deal with it: the wide variety of sexual subcultures, and the culture of injecting drug users. This is a powerful example for this volume, not only because of the importance of the HIV/AIDS epidemic, but because of its documentation of the nature of subcultures of weak or underrepresented groups and of how these are typically unrecognized or stigmatized by mainstream society. This stigma contributes to the perpetuation of the epidemic. In a vivid demonstration of a broader phenomenon— Jenkins shows how policy interventions are ineffective because dominant actors impose interventions on excluded groups that reflect their biases and stereotypes. Effective approaches, such as those in Sonagachi, would recognize the internal cultural

logic of groups at high risk for HIV-AIDS transmission, and engage with affected people directly in a manner that does not require "a slavish adherence to traditional codes."

In each of these cases, the history of social interactions and path dependencies create stable equilibria associated with constraining preferences which perpetuate inequality. We begin to see the transmission of culture as a relational, collective process, which creates a web within which human beings form perceptions, preferences, beliefs and aspirations, which in turn affect their behavior.

Appadurai's contribution to this volume develops the idea of "navigational tools" to break such constraining preferences. Building on the work of the philosopher Charles Taylor on the "politics of recognition," he coins a phrase - "the terms of recognition", analogous to "terms of trade" - to describe the adverse terms by which the poor negotiate with the "norms that frame their social lives." To correct this imbalance he suggests there is a need to strengthen the capacity of the poor to exercise "voice," treating voice as a cultural capacity – because it is not just a matter of inculcating democratic norms, but of engaging in social, political and economic issues in terms of metaphor, rhetoric, organization and public performance that work best in their cultural worlds. For the cultural contexts in which different groups live, which form the framework of a "capacity to aspire" are not evenly distributed. "The better off you are… the more likely you are to be conscious of the links between the more and less immediate objects of aspiration." This is partly because the better off are better able to navigate their way towards potentially actualizing their aspirations. Thus, the capacity to aspire is, at its core, a

"navigational capacity." "Voice" and the "capacity to aspire" are "reciprocally linked, with each accelerating the "nurture of the other." Development then is about empowerment which has an "obvious translation: increase the capacity to aspire, especially of the poor."

Ray (2003) builds on Appadurai's ideas from an economist's perspective and argues that the "capacity to aspire" is affected by two important factors - the ability of the poor to see enough of rich behaviors in order to aspire to them, and whether achieving a higher level can be obtained with a feasible level of investment. Thus, he argues that "aspirations failures" are more likely in societies with a high level of social polarization – high diversity between the "cognitive neighborhoods" of rich and poor groups, or high levels of inequality where it is impossible for the poor to find the resources to achieve their higher level of aspiration.

Mobility, resistance and the "real" preferences of the weak

Unequal cultural capital and the associated belief-systems and *habitus* of different groups provide a way of understanding how unequal social systems can be reproduced with little resistance. Note, however, that reality is often more complex. Mobility exists even in the most rigid societies and household survey data in developed and developing countries have established that there can be significant movement up and down the income scale, even while the overall distribution of income remains stable.[37] However, this often does not involve changes in the social position of groups. Hirschman (1970) discusses a

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[37] There is a significant literature in economics on mobility; see Fields (2001) for a discussion, and Bowles and Gintis (2002) for a review.

typical process of "evolutionary individualism, in which "..the successful individual who starts out at a low rung of the social ladder, necessarily leaves his own group behind as he rises; he 'passes' into, or is 'accepted' by, the next higher group.   He takes his immediate family along, but hardly anyone else[38]."

Entire groups may also demonstrate collective mobility – but the pace of this is typically glacial. For instance, in the caste system, Srinivas (1966) explores how caste mobility occurs in the form of an identity dynamic where upwardly mobile lower castes gradually acquire the behaviors, markings, and other external attributes of upper castes so that, over the long run, they are indistinguishable from them. The memory of their original lower caste status gradually fades. But this mobility occurs not by challenging the dominant ideology, but by a gradual process of identity switching, that results in an ideological transformation. The newly minted upper caste group often loses all memory of ever being lower caste. Its preferences now reflect those of upper castes.

Moreover, poor and subordinate groups do not necessarily accept their fate passively and resistance is itself often a cultural process.   Staying within the caste system, an important example of this is in the Virasaiva or Lingayat movement founded by the poet-saint Basava in the 12th century in Karnataka in Southern India. Opposition to heredity-based caste discrimination was the explicitly stated ideology of the movement, and this was expressed in a series of devotional poems or *vacanas* which created a space within the Hindu way of life that went beyond caste-based divisions. A well-known poem by

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[38] Bloch and Rao (1993, 2002) have models of these ideas.

Basava says, "*Oh Look Not to Caste! For who could say, anyway, what he had been in birth's past*" (Michael, 1992). Thus, Virasaivasism rejected caste by arguing that God does not differentiate across groups.[39] So long as people at both ends of the hierarchy buy in to this ideological argument, group-based divisions can be circumvented without conflict —but this is typically not the case.

Scott (1985) has argued that the lack of overt activism by subordinate groups does not necessarily reflect acceptance of the existing social order, drawing on a study of the beliefs and behaviors of Malaysian peasants. While the poor may view the constraints that they face as inevitable and internalize them, they may also have a strong sense that the status quo is unjust. Scott argues that it is important to distinguish what they view as *just* from what they view as *possible*. This sense of injustice, coupled with a recognition of the inevitability of fate, results in subtle, "everyday" forms of resistance that serve to moderate the authority of dominant groups without completely overturning the system.[40] Moreover, resistance has over the centuries has often turned to revolution – as can be seen in the history of social movements, protests and revolts that have sought to overturn existing social systems. In the Indian context, in those twentieth century social movements that have confronted caste differentials in favor of more equitable public action, most notably in Kerala (Heller, 2000).

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[39] The Virasaiva movement survives today and Lingayats are an important political force in the state of Karnataka. However, caste based distinctions seem to have crept back into the Lingayats over the last millennium - while conducting field work in a Lingayat village Rao found that it had a well defined caste hierarchy with Brahmin Lingayats, Potter (*Kumbhara*) Lingayats, Artisan (*Achari*) Lingayats, etc.

[40] Scheper-Hughes (1992) in her work on life in a Brazilian shanty town critiques Scott by arguing that goal of such "weapons of the weak" is not *resistance* but *existence*. She believes that calling it resistance "runs the risk of romanticizing human suffering or trivializing its effects on the human spirit, consciousness, and will."

In this volume Shelton Davis provides an account of the Mayan movement in Guatemala which illustrates both the mechanisms for perpetuation of disadvantage and the emergence of resistance. Davis shows how the minority Ladinos established their dominance by imposing various forms of political, economic, and religious control on the indigenous Mayan population. He argues that many Mayans reacted to this domination by reaffirming their ethnicity, choosing to maintain highly traditional, religiously based community cultures, rather than passing for Ladinos and attempting to integrate. This reaffirmation of identity then led to various Mayan resistance movements that questioned dominant interpretations of Guatemalan history and society, and by 1990's attracted international attention with the awarding of a Nobel Peace prize to one of their activists - Rigoberta Menchu. This had an important influence on debates surrounding the future of the country, contributing to the Peace Accord of 1996, that, despite a backlash from ladinos, is (hopefully) laying the foundation for a multi-ethnic, pluri-cultural and multi-lingual nation in Guatemala. This illustrates the potential effectiveness of using democratic processes to foster debate and seek to change the terms of recognition of poorer and subjugated groups in order to equalize culturally based inequities.

We have distinguished different ways in which cultural factors can affect the dynamics of development change for disadvantaged groups: through the internalization of dispositions that perpetuate lower status; through individual upward mobility that leaves the rest of the group behind and the mechanisms that perpetuate inequality intact; through the lack of a capacity to act on recognized injustices, whether because of the absence of arenas to

voice preferences or acceptance of the inevitability of the existing order. In all cases the agency of poorer groups is affected by the cultural context, and in practice all three will be present in different mixes—and a cultural lens will need to understand the variety of the processes at work in the formation of beliefs and capacity to act upon these.

Cultural change and structural transformation

Now we return to the dynamic definition of culture with which we began this chapter, and to an examination of the inter-temporal relationship between cultural, social and economic change and the equality of agency.

Cultural change is a fact of life, is often unpredictable, and sometimes quite dramatic. For example, the radically egalitarian economic changes that occurred after the October revolution in the Soviet Union were clearly accompanied by radical cultural changes. Over time, a form of class structure reasserted itself that depended upon one's hierarchy in the communist party, but this was clearly a very different form of social stratification than the one prevalent under the czars. Despite the economic and cultural transformation it forced, the Soviet revolution did not manage to equalize cultural and social capital, which reasserted themselves in different forms.

Globalizing forces and information technology, however, have facilitated cultural exchange and hastened change. Appadurai (1996) analyzes this in terms of the interacting forces from media, technological connectivity, the movement of people and the transmission of ideas, in addition to financial and economic links. Even if the sheer

pace of international migration is less than in previous episodes—for example relative to the great migration from the "Old" to "New Worlds" of the 19th and early 20th century[41], the connectivity between different communities is substantially greater. As Appadurai argues, "As group pasts become increasingly parts of museums, exhibits and collections, both in national and transnational spectacles, culture becomes less what Pierre Bourdieu would have called a habitus (a tacit realm of reproducible practices and dispositions) and more an arena for conscious choice, justification and representation, the latter often to multiple and spatially dislocated audiences."[42] Thus culture's characteristic role of reinforcement and perpetuation has possibly shifted to a more volatile dynamic with a potentially more proactive role for individuals and groups.[43]

Exploring the implications of these dynamics for development requires both a characterization of the nature of the dynamism and its consequences in terms of changes in the agency of different groups. Let us begin by returning to a central message of the preceding section: in the language of economists, preferences and constraints are typically jointly produced, and the practices, dispositions and identities of groups (especially subordinate groups) can be associated with "constraining preferences" which can have an effect on individual and social agency.

How do we understand the dynamics of preferences? Most economists usually prefer to abstract away from them, but there are at least two ways in which they have been modeled – as part of an evolutionary process, or as the result of fundamental changes in

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[41] See O'Rourke and Williamson (1999)
[42] Appadurai (1996) p. 44
[43] Sen (1998) has also has emphasized that individuals have multiple identities from which they can choose.

opportunity costs.   Evolutionary models of preference formation are "functional" in the sociological sense, attributing the dominance of one set of preferences to fundamental factors that relate to human survivability (e.g. Bergstrom, 2002)   The opportunity cost approach was pioneered in the *De Gustibus* model of Becker and Stigler (1977).   In this view, consumers have stable preferences for a fundamental set of goods – related to what Sen would call functionings. These functionings have "production functions" which affect their relative prices. For instance a person may have a fundamental preference for good food, but since good food is a cultivated taste, the type of food she eats will be affected by the type of "food capital" she acquires. If we have a higher level of food capital for French *haute cuisine* compared to hamburgers, say because our parents were gourmets, we are much more likely to enjoy it. However, if the relative "price" of producing *haute cuisine* capital falls – say because of food shows on radio and TV, then it becomes easier to enjoy and more people will consume it. Therefore, in the Becker and Stigler model, cultural change is a function of relative prices[44].

Becker and Stigler provide a useful way to think about preference change, but, in contrast to anthropologists, they see individuals as autonomous entities. Anthropologists emphasize that the consumption of goods has meaning beyond the individual act of consumption—goods have a "social life"[45] that reflect and represent their meaning within a social context. The "swadeshi" movement in pre-independence India, for instance, used the force of a social movement to shift preferences in favor of cloth produced by indigenous, traditional, methods over imported mill-produced cloth as a form of

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[44] Becker (1996), in later work has developed several variants of this idea of preference formation based upon relative prices and applied to a variety of situations – addiction and habit formation among them.
[45] Douglas and Isherwood (1979), Appadurai (1986).

resistance to British rule. This has echoes in contemporary movements that seek to affect consumption through persuading consumers of the virtues of ecologically and socially sound production of trees and carpets, or against genetically modified foods. Consumption is thus a socially meaningful symbolic act tied to notions of identity, belief, status display, ritual and other social acts. We should note that mainstream economists have begun to recognize the important role played by identity choice (Akerlof and Kranton, 2001), status displays (e.g. Basu 1989, Bloch, Rao and Desai 2003), and ritual (Chwe, 2000) in economic life. Thus, our characterization of "Economic" and "Anthropological" views may be a little out of date, but helps highlight the essential differences in perspective that are perhaps on their way to coming much closer.

To conceptualize possible dynamic paths out of cultures of inequality, we can incorporate the Becker-Stigler approach to cultural change within anthropological understandings that emphasize the collective aspects of preference formation. For someone born into a social group that faces high levels of social exclusion, discrimination and material poverty, social interactions are geared toward survival and interactions within one's own group. The opportunity cost of a culture of aspiration and change may be high. One way out of this is to reduce the opportunity cost of acquiring cultures of aspiration by facilitating collective organization in a manner that expands and reinforces cultural and social capital. This is one way of understanding "the capacity to aspire" which is about how a group (and the individuals within it) succeed in reducing the costs of developing a culture of aspiration by collectively envisioning their future, and their capacity to shape

this future, through influencing other groups, the government and other factors in their physical and social environment

However, while building the "capacity to aspire" may help break through the constraining preferences of poor groups, it does not address the problem of how different groups interact with one another within a hierarchy. Where groups have little influence, and expressions of voice remain unheard, or evince repression, the incentives for the development and exercise of such capacities are substantially reduced. In other words, the subordinate group faces adverse cultural terms of trade which affects its ability to aspire to a better life, while the dominant group faces favorable cultural terms of trade which gives it the ability to maintain its dominant position. This provides a way to interpret Appadurai's second concept of the "terms of recognition." Where poor or subordinate groups face adverse terms of recognition from dominant groups or state structures, there is both an inhospitable environment for the development of a "capacity to aspire" and, to the extent that such voice-related capacities develop, their influence is reduced. The potential for increasing *effective* agency is limited.

This point is closely related to Mary Douglas' and Amartya Sen's emphasis on free and equal debate as equalizing forces in a dialogue (that for Douglas is explicitly part of a society of multiple cultures). It is also related to the philosopher Taylor (1995) argument on "the politics of recognition." Taylor argues that different cultures within a society should have the "*presumption* of equal worth" in the terms of their engagement. That is, "cultures that have provided the horizon of meaning for large numbers of people…are

almost certain to have some thing that deserves our admiration and respect, even if it goes along with much that we have to abhor and reject.[46]" Taylor makes the important distinction between this and the *recognition* of equal value in all cultures, which is much harder to judge. Therefore cultures may not have a right to argue that their value system is better than anyone else, but they should have the right to be heard with respect.   This culturally, or group-based, engagement stands in contrast to the terms of engagement that are driven by an exclusive reliance on individual rights.

The contribution by Calderón and Szmuckler further develops the theme, with a particular focus on the role of political cultures. They argue, like Davis, that most political cultures in Latin America are deeply intertwined with structures of social and economic inequality, and form part of the mechanism for the perpetuation of inequities in income and agency. They interpret these as a product of histories of social and cultural exclusion, that can sometimes be exacerbated by the workings of market forces.   They then make a case for achieving more effective poverty reduction through patterns of cultural change that shift the terms of recognition for different groups and strengthen the "voice" of poorer groups through the development of deliberative cultures. This is illustrated with some examples, and we will highlight one – the case of participatory budgeting in Porto Alegre, Brazil.[47]

Participatory budgeting is based on the principle that citizens should be directly involved in the management of public funds, and have a voice in the translation of social demands

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[46] Taylor (1995) Page 256

[47] See also Abers (2000) for a case study on political and socio-cultural change in Porto Alegre.

into budgetary priorities. This is done within a framework of participatory democracy where the target population every year votes on the choice of four policy priorities from a list of eight. Once the priorities are set, there is a round of open discussions, where the policies are debated and delegates chosen for the next round of deliberation. In the next round, the government presents the available budget for the following year and elects councilors to supervise and manage the budget for a one year term. Finally these deliberations are implemented by a Planning Cabinet which allocates the budget. This process of deliberative democracy has resulted in a redistribution of funds to poor areas of the city, sharply improved the quality and reach of public works and services, and reduced corruption. Thus, providing a forum for meaningful participation and debate results in a closer connection between policy makers and beneficiaries which improves the quality of public action – making policy more commonsensical to use Scott's term, while equalizing the terms of engagement.

The State can play a key role in affecting a structural transformation. Monica Das Gupta and her colleagues in their contribution show how state intervention resulted in very different outcomes for women in three countries – China, India and South Korea – that started from cultures with similar kinship and inheritance systems with, consequently, almost identical low levels of women's autonomy and agency. Korea successfully achieved rapid economic growth while maintaining fundamental aspects of family organization deeply inimical to gender equity. As a consequence, while women now have high living standards and participate extensively in the formal labor force, they have gained relatively little in autonomy — as symbolized by some of the lowest levels of

female legislative representation in the world. By contrast, the Indian State has a disappointing record on raising living standards, but has been fairly successful in encouraging gender equity. And the Communist Chinese state made substantial strides in improving women's lives, both through raising living standards as well as through a synergistic mix of policies aimed at creating gender equity — though it is noteworthy that some of these gains are being eroded in the period of opening, with the reaffirmation of more traditional patriarchal values. Thus, despite similar initial conditions that are culturally determined, the nature of the state intervention can make a substantial difference to the dynamics of agency.

A brief digression on growth

The primary focus of this paper, and of most contributions to the volume, is on issues relating to inequality and poverty. But aren't some of the big debates about culture—before and after Weber—about growth? While there is not the space to go into depth on this issue, we suggest that the argument of the complementarity between culture, economics and processes of change applies to central aspects of the overall growth process, and indeed to the more specific question of the conditions for the successful development of markets. Amartya Sen, in his contribution, notes the importance of a business culture to a thriving business sector.

This is illustrated in the practices that lie behind state-business relationships, in a negative context in the shape of "crony capitalism", in which businesses and the state live in a symbiotic relationship of corrupt payment for favored services or protection, that in

the extreme can lead to a situation of significant state capture—as has emerged as an important theme in discussions of the former Soviet Union.[48] Of course, neither corruption nor buying of favors is the exclusive preserve of "crony" versions of capitalism, but this is illustrative of how the themes developed earlier apply: a norm of behavior that is a form of culture, is embedded in a pattern of power and also linked to incentives. If that is the way the system works, there are incentives to use bribes to get the contract, the service or the protected market that is important for the viability of the business. This contrasts with a culture of legal behavior and honoring of contracts.

A second example is that of the role of organizational cultures. An emphasis on the importance of business culture is included in the very heart of capitalist intellectual thought, in the business schools of the United States. An important strand of thinking on what makes a dynamic, competitive and innovative corporation is that organizational cultures are key. Tushman and O'Reilly (1997), for example, argue that cultural norms of behavior are important to understanding the success of highly successful firms such as the US department story of Nordstrom, or the delivery firm of Fedex. These form part of the "fit" between a firm's characteristics and strategic and competitive behaviors. They are fostered by leadership, consciously designed formal codes of conduct, attention to values, incentives and rituals. Individualist behavior and formal rules are by no means the main source of explanation for success and failure even with the heart of business behavior.

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[48] See World Bank (2000)

Implications of Culture for Public Action: From Equality of Opportunity to Equality of Agency

Equality of opportunity has probably been the most important guiding principle for public action on problems of inequality and discrimination, at least within democratic and market-oriented societies. While it explicitly recognizes the possibility that group-based attributes may lead to discrimination, it does so by assuming that the individual is an autonomous actor, if at times tagged with a group. In its traditional sense, it has two interpretations according to Roemer (1998):

- the "level-the-playing-field" view with the underlying notion that if two individuals of equal "ability" are granted the same access to human and physical capital, their chances of success should solely be associated with differences in their effort. This leads to policy responses such as improving access to schools and health care, or improving access to credit.;

- the "non-discrimination" interpretation, in which individuals competing for the same job should be judged solely on those attributes relevant to the job. In this view a social dimension is explicitly incorporated by acknowledging that discrimination can result from the use of demographic characteristics as social markers. It argues that it is wrong for an employer to prefer an individual of equal qualifications and ability over another simply because of his or her race, gender or other group-based attribute.

A cultural lens, however, suggests that this is an incomplete way of dealing with the relational aspects of deprivation. Inequality is not just the result of belonging to a group, it is also caused by how members within a group relate to one another, and how the group relates to other groups. Furthermore, equality of opportunity implicitly assumes a distinction between preferences and constraints, in arguing that human beings are primarily held back not by deprivations in endogenous cultural processes such as "the capacity to aspire" but by exogenous obstacles. Again as we have seen above, some groups, because of the interdependence of their preferences and the symbolic violence of dominant discriminatory ideologies, may have constraining preferences that result in restricted or distorted aspirations. Similarly some groups, because of problems of coordination, may lack the capacity for collective action and access to social networks that limit their ability to move ahead. Individuals are not just limited by obstacles to their individual effort but by collectively determined deprivations that result from ideological, cultural, historical and social factors that are beyond their immediate control.

A cultural lens thus leads us to a different principle -- "equality of agency" – which builds on "equality of opportunity" by adding an awareness of the impact of the relationality of individuals, the social and cultural contexts within which they operate, and the impact of these processes on inequality and poverty. "Equality of agency" would propose that that in addition to providing equal access to human and physical capital, people are also entitled to equal access to cultural and social capital. But, since cultural and social capital are inherently relational concepts, these require group-based

interventions, along the lines sketched above, that are different from the more individual based interventions that derive from the equality of opportunity.

The normative implication of this discussion can now be pulled together. Greater equality of agency is a desirable, and often a necessary condition, for putting societies on a dynamic path toward greater equality of well-being. This is also likely to have at least neutral, and potentially positive, effects on processes of accumulation.

This results in a number of implications for public action:

- from a focus on individuals to a recognition that relational and group-based phenomenon shape and influence individual aspiration, capabilities, and agency;
- to provide for debate and decision-making when there are several distinct culturally determined perspectives, and in particular, assure that poorer, subordinate groups have voice and opportunities for redress.

Finally, and of some interest in the world of Development, there is the role of international agencies—from bilateral development agencies, to multilateral development banks, and, indeed, international non-government organizations. Sabina Alkire explores the ethical basis for engagement in a society of an external agent, using the World Bank as a case study. This is a central issue for any external development actor—from multilateral agencies to international non-government agencies, and probably also for private multinational companies. An understanding of culture leads you to a quite

different approach to the relationship between external agents and domestic partners from old-style advise-and-invest, to an emphasis on exploration and discovery of local conditions, support for participatory debate on options, including those from international experience. The World Bank has been moving significantly in this direction in many areas in recent years, but still straddles old and new patterns of thought and engagement. Moreover, all powerful external development agencies have their own strong organizational cultures that have an impact on their deliberations and interactions. The role that this plays in Development policy needs more attention and understanding.

This book does not present a uniform perspective – different authors have contrasting views, for example between more or less optimism over the gains from "respecting" existing cultures, or between the degree to which agency is based on individual rational calculation or socially embedded perspectives. However, all the contributors see the centrality of cultural issues for the development process, and the complex, interactive relationship between culture, state action and material conditions. And all emphasize the fundamental role of context and real participatory engagement in valuation and decision-making.

Kanbur (2000, 2001) points out that development policy is dominated by a spirited by often unproductive debate between "finance ministry" types and "civil society" types who both have valid perspectives to offer on paths to better well-being through growth and markets, on the one hand, and the structural factors that result in persistent inequalities, on the other. He argues that one way of moving the debate forward is for

economists to push the frontier of their discipline to begin to understand how cultural and social structures affect economic life. Serious dialogue between economists and anthropologists, sociologists and political scientists can help the central challenge of designing more effective development policy for expanded well-being. We view our effort as a move in this direction. In the concluding chapter we explore some of the implications of this thinking for public policy and research. We hope that the bringing together of these contributions in an inter-disciplinary exercise will support further exploration and debate in this central issue for Development.

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