

# Why do the “small” persist?

## From *agrarian* to *mineral* political economy

Robin Thiers, Conflict and Development Studies, UGent

Boris Verbrugge, Anthropology and Development Studies, Radboud University

Presentation at the GLOCON workshop on ‘Critical Agrarian Studies’

At Freie Universität Berlin, 12th May 2017

- work in progress - please do not use or cite without  
permission -

# Outline

1. ASM - What is it?
2. Studying “small-scale”
3. Why is labour cheap?

# 1. ASM: what is it?

- A classic dichotomy?

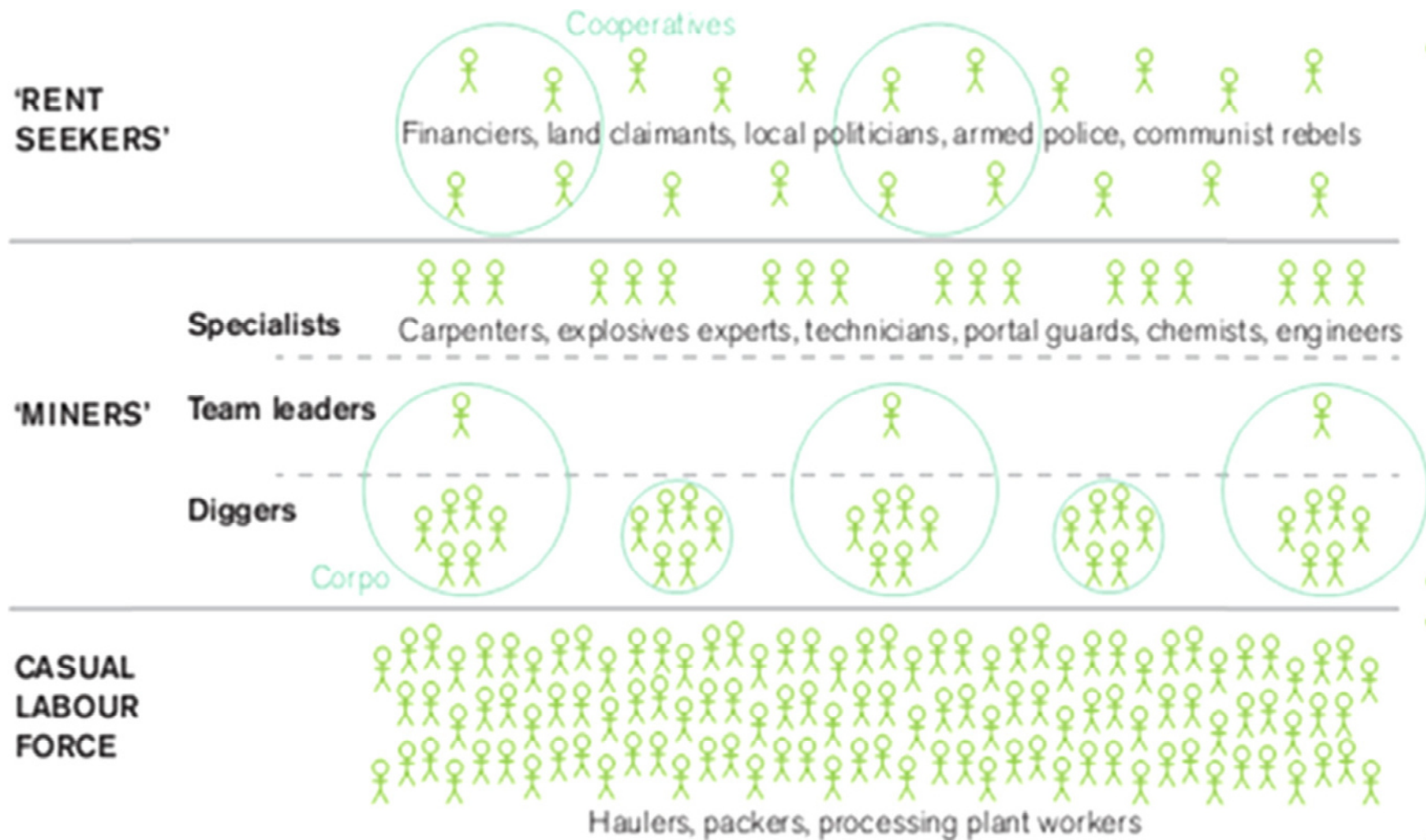
Artisanal and small-scale	Large-scale
Low-tech	High-tech
Labour intensive	Capital intensive
Poverty-driven	Big business – big profit
Predominantly informal	Formal concessions and contracts
Low entry barriers for labour	Labour specialization

- Yet highly heterogeneous
  - Technologies used
  - Capital invested
  - Social divisions of labour in the sector

## Example: the Southern Philippines' artisanal and small-scale gold mining sector



work in progress - please do not use or cite without permission -



- work in progress - please do not use or cite without permission -

(from Verbrugge e.a. 2014)



- work in progress - please do not use or cite without  
permission -

# How does all this relate to agrarian studies?

## 1) Study interrelation between agrarian and mining dynamics

- AGRI -> ASM: de-agrarianisation
- AGRI vs. ASM: conflict & synergy
- From rural/merchant to mining elites

## 2) Use APE questions and analysis

- Why do the 'small' persist?
- as a heterogeneous sector, with various divisions of labour
- 15-20% output / 15-30 mio people (Buxton 2013; Seccatore e.a. 2014)



*Can we learn from agrarian political economy?*

- work in progress - please do not use or cite without  
permission -

## 2. Studying “small-scale” in APE

- The classic AQ (of capital): from agrarian to industrial society
  - From feudal to capitalist social property relations
  - Modernization of agriculture (the issue of scale)
  - Transfer of C & L
- Problems...
  - Why do the small persist?
  - What happens to rural labour?
- APE (and ASM?) responds...

# Why do the 'small' persist?

## THREE NARRATIVES

- Economic logic of the peasant family household
  - Chayanov & the *subsistence* logic
  - Neoclassics & incentive structures
- Agrarian question of labour
  - Non-absorption as industrial wage labour
  - 'Footloose labour' & 'classes of labour'
- Petty commodity production and/or 'small' capital
  - Ambiguous class positions of capital and labour
  - Micro-dynamics of *accumulation* and exploitation

'SMALL IS BEAUTIFUL'

POVERTY

ACCUMULATION AND EXPLOITATION

# Why do the 'small' persist?

Core argument = CAPITAL ACCESS TO CHEAP LABOUR

- Below average wage rate
- Capacity of the small for 'hyper-exploitation'
  - Self-exploitation
  - HH labour
  - Hired-in 'footloose labour'
- Logics of 'small' capital
  - Accumulation-oriented: investing in land & technology
  - Exploitation-oriented: net hiring in of cheap labour



# Why do the 'small' persist?

Core argument = CAPITAL ACCESS TO CHEAP LABOUR

- Below average wage rate
- Capacity of the small for 'hyper-exploitation'
  - Self-exploitation
  - HH labour
  - Hired-in 'footloose labour'
- Logics of 'small' capital
  - Accumulation-oriented: investing in land & technology
  - Exploitation-oriented: net hiring in of cheap labour



# Why do the 'small' persist?

Core argument = CAPITAL ACCESS TO CHEAP LABOUR

- Below average wage rate
- Capacity of the small for 'hyper-exploitation'
  - Self-exploitation
  - HH labour
  - Hired-in 'footloose labour'
- Logics of 'small' capital
  - Accumulation-oriented: investing in land & technology
  - Exploitation-oriented: net hiring in of cheap labour



# Why do the 'small' persist?

- How does this logic of the 'small' feature within a broader (global) political economy?
- 'normal' agribusiness capital integrates 'small' capital in its production networks
- Double surplus appropriation
  - C-c : through terms of exchange (rent – interest – commodity exchange)
  - c-L : through relations of production (access to cheap labour)

### 3. WHY is labour cheap?

- WHY work so cheaply?
  - PUSH – survival & poverty
  - PULL – social mobility, lucky streaks, gold rush, ‘adventure’, profession
- HOW to control cheap labour?
  - Coercion/supervision
  - Casual & informal
  - Payment systems
  - Social regulation



- work in progress - please do not use or cite without permission -

# To conclude: what can APE bring to mining?

- Fine-grained analysis of C-L relation in mining sector
  - Labour-intensive vs. capital-intensive?
  - Social differentiation, different types of capital
  - Labour supply, control (micro & macro)
- The broader picture – how does ASM fit in:
  - Relation to large-scale mining
  - Contemporary global production networks
  - Broader societal transformations – political economy of development

# Some references

- Bernstein, H. (2004). “ Changing Before Our Very Eyes ”: Agrarian Questions and the Politics of Land in Capitalism Today. *Journal of Agrarian Change*, 4(April), 190–225.
- Bernstein, H., & Byres, T. J. (2001). From Peasant Studies to Agrarian Change. *Journal of Agrarian Change*, 1(1), 1–56.
- Breman, J. (1996). *Footloose Labour. Working in India's Informal Economy*. Cambridge: Cambridge University Press.
- Harriss-White, B. (2010). Globalization, The Financial Crisis and Petty Production in India's Socially Regulated Informal Economy. *Global Labour Journal*, 1(1), 152–177.
- Starosta, G. (2010). Global commodity chains and the Marxian law of value. *Antipode*, 42(2), 433–465.
- Verbrugge, B. (2016). Voices from below: Artisanal- and small-scale mining as a product and catalyst of rural transformation. *Journal of Rural Studies*, 47, 108–116.
- Contact: robin.thiers@ugent.be