

A diverse economy: rethinking economy and economic representation

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The economic iceberg (drawing by Ken Byrne)

The iceberg is an economic representation we use in our action research projects to stimulate conversations about ‘the economy.’ This image is one way of illustrating that what is usually regarded as ‘the economy’—wage labor, market exchange of commodities and capitalist enterprise—comprises but a small subset of the activities by which we produce, exchange and distribute values. It honors and prompts into expression our common knowledge of the multifarious ways in which all of us are engaged in economic activity. It opens up conceptions of economy and places the reputation of economics as a comprehensive and scientific body of knowledge under critical suspicion for its narrow focus and mystifying effects.

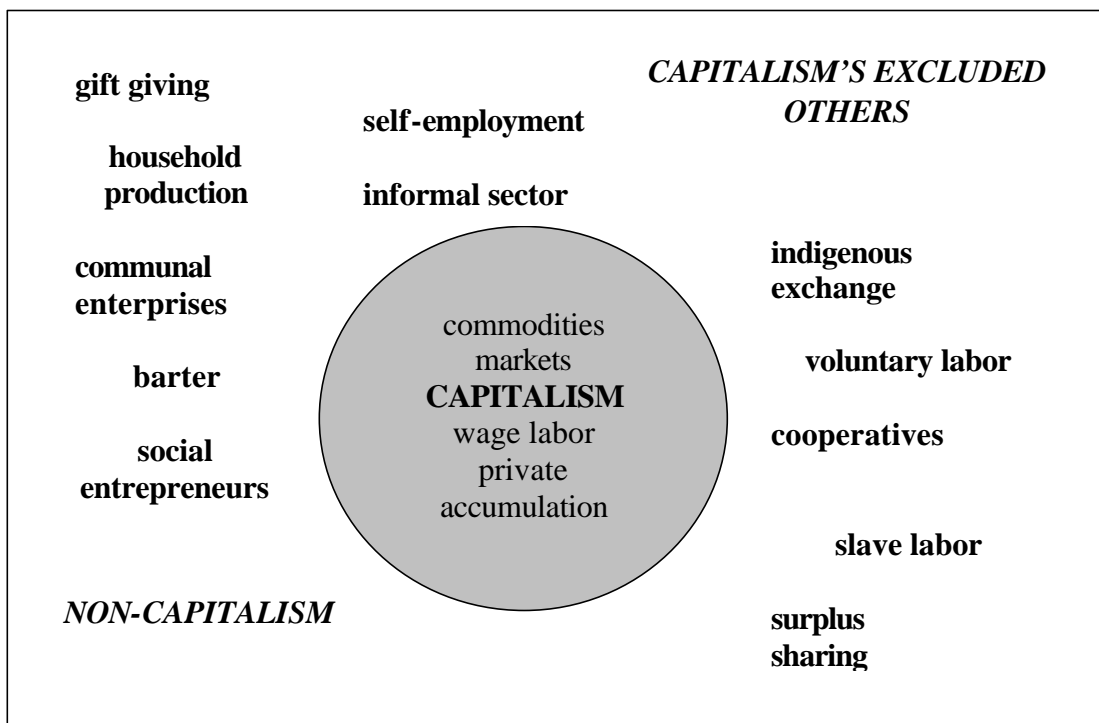
Everyday people in everyday places (which really just means anyone who is not an economic theorist or researcher) are the principal co-conversants we are engaged with in rethinking economy through action research. What's at stake in these conversations is **who** and **what** is seen to 1) constitute the economy and 2) contribute to economic development.

In the submerged part of the iceberg we see a grab bag of activities, sites and people. The chaotic, laundry list aspect has an inclusive effect—it suggests an open-ended and ultimately arbitrary process of categorization. Conversations we've had around what to include in an expanded representation of the economy range from a discussion of putting on makeup in the morning (seen as necessary for the performance of a worker identity and thus as 'work') to considerations of the community-building effect of giving.

The very process of discussing what's in and what's out of the conception of economy is democratizing, involving people in the practice of 'making the economy' (a politics of discursivity). The discussions help to generate new economic imaginaries and strategies for ourselves, local economic activists, economic development agencies and NGOs interested in economic activism.

The iceberg diagram is an explicitly pedagogical version of what we have called our diverse economy framework (see below), a representation that has emerged from more academically oriented conversations with theorists of economic difference. In these academic interactions, what's at stake for us is **capitalocentrism**, the hegemonic representation of all economic activities in terms of their relationship to capitalism—as the same as, the opposite of, a complement to, or contained within capitalism. Our attempts to destabilize capitalocentrism have included a number of theoretical strategies: 1) deconstruction of familiar economic representations, 2) production of different representations of economic identity, and 3) development of different narratives of economic development.

Our deconstructive project is engaged in unhinging economic thinking from the singular law of value inscribed in capitalocentric discourse. As with any deconstruction, our first step has been to show how a representation of the ECONOMY as essentially CAPITALIST is dependent on the exclusion or suppression of many types of economic activity. Interestingly, the ‘excluded others’ upon which the seeming coherence of capitalism is based include a range of activities that have been the subject of inquiry by non-economists or non-mainstream economic analysts. We might say that these theorists are constructing an alternative common sense of the economy, one that is growing in influence worldwide. Those we have engaged with include feminist economists who have problematized the **household** and **voluntary sectors**, theorists of the **informal sector** in both the ‘third’ and ‘first’ worlds, economic anthropologists who have focused upon **indigenous kin-based** and **‘gift’ economies**, economic sociologists who have problematized the cultural and social embeddedness of enterprises, those interested in the **social economy** and its ‘alternative’ **social entrepreneurs**, economic networks and organizations, and marxist political economists who have pursued a **surplus-oriented** economic analysis of different (non-capitalist) enterprises and households, including worker cooperatives and other communal forms.



Marshalling work on the ways in which social value is produced, transacted and distributed other than those traditionally associated with capitalism has transformed the subordinate term of the CAPITALISM / NON-CAPITALISM binary, rendering it a positive multiplicity. But we have also attempted to deconstruct the dominant term, making capitalism different from itself. In particular we have been interested in mapping the multiple logics and registers of value that vie for preeminence within capitalist corporations. This work on capitalist difference parallels the rich literature on culturally embedded forms of capitalist enterprise.

The project of producing radically heterogeneous economies motivates our commitment to multiplying registers of value, commensurabilities, and strategies of surplus appropriation and distribution. We find ourselves engaged not in establishing a new, more socially acceptable law of valuation, but in opening up for question the ethical decisions involved in the momentary fixing of value, commensurability, and surplus appropriation and allocation.

Our first stab at conceptualizing the radical diversity of economic relations is in terms of the coexistence of

- different kinds of transaction with their multiple calculations of commensurability
- different ways of performing and remunerating labor
- different forms of economic organization or enterprise with their multiple ways of producing, appropriating and distributing surplus

Formal market	<i>and</i>	Alternative markets Non-market forms of exchange and transaction
Wage labor	<i>and</i>	Multiple other ways of performing and remunerating labor
Capitalist enterprise	<i>and</i>	Other forms of enterprise where private accumulation of surplus is not core business

A Diverse Economy

<i>Transactions</i>	<i>Labor</i>	<i>Organizational Form</i>
MARKET	WAGE	CAPITALIST
<i>ALTERNATIVE MARKET</i> <i>Local trading systems Alternative currencies Underground market* Co-op exchange Barter</i>	<i>ALTERNATIVE PAID</i> <i>Cooperative Self-employed Indentured* In kind</i>	<i>ALTERNATIVE CAPITALIST</i> <i>Environmental ethic Social ethic State enterprise Non-profit</i>
<i>NON-MARKET</i> <i>Household flows Gifts Indigenous exchange Theft*</i>	<i>UNPAID</i> <i>Volunteer Housework Family care</i>	<i>NON- CAPITALIST</i> <i>Communal Independent Feudal* Slave*</i>

The shaded area represents activities (excluding those marked with *) that we might place in the ‘community economy’ (see below).

Note also that the table is designed to be read as columns rather than rows—non-capitalist enterprises participate in markets, for example, and volunteers may work in the capitalist sector.

This framework is not attempting to be comprehensive but is always developing and changing according to context and use. It is so provisional that it feels uncomfortable even to write it down and circulate it in a semi-permanent textual form. What we have presented are various lists organized in columns that denote certain economic processes. We could, presumably, go on adding dimensions and indeed some people have urged us to add columns for finances, resources and the environment. We look forward to conversations that might help us specify other processes around which economic multiplicity is generated (for example, ways of interacting with the environment), but at present our most developed thoughts revolve around the processes of transaction, labor, and organization of surplus appropriation and distribution.

What's at stake for us in this representation of the diverse economy is the ability to begin to identify and construct a **community economy** in which decisions about commensurability, labor remuneration, and surplus labor production, appropriation and distribution are brought to the fore as ethical practices—practices through which selves, communities, regions and societies are formed and sustained. The community economy is to some extent a normative representation of the diverse economy, one in which certain ethics are valued over others. For example, while the diverse economy recognizes the contemporary prevalence of slavery as a mode of economic organization, or indentured labor as a form of remunerated labor, or theft as a mode of transaction, it is difficult in the abstract to imagine the place of these things in a community economy where contemporary ethics of justice and democracy are assumed to prevail.

One salient question that emerges for us concerns the role that capitalist enterprise might play in a community economy. In the table we have located capitalist enterprises that recognize an environmental or social ethic and state enterprises and non-profits that do not operate according to the dynamics of accumulation in the shaded sections associated with the community economy. In this sense our normative representation of the economy is not anti-capitalist. Instead we are interested in incorporating our understanding of capitalist difference into the community economy and in constructing a variety of

(mutually transformative) relationships between non-capitalist economic practices and capitalist ones.

This brings us to one of the creative edges of our project of rethinking economy where we are beginning to explore the dynamics of economic development outside of a capitalocentric framing in which the (uni)linearity and dominance of capitalist progress have too long held center stage. Here we are moving beyond the issue of representing economic **identity** to that of representing economic **dynamics**. Increasingly we are drawn to conversations with theorists of post-development who reject the discursive grip of Eurocentrism, unidirectionality and growth on narratives of economic change. And we are interested in what we can learn from new ecological theories of interdependent co-development. At stake in these conceptual ruminations is the possibility of novel economic interventions but also the recognition that these will have unpredictable outcomes. This brings us back to our conversations with communities, local economic activists, NGOs and planners. If we abandon any faith in certainty and embrace the implications of overdetermination and mutual constitution, what might economic interventions be and become? How might ethics enter into discussions of economic experimentation and evaluation?

The other edge to our project involves working on producing subjects of non-capitalism. In our action research projects we have found that while recognition of the diversity of the economy comes easily to people, what is hard is to imagine oneself as an active agent capable of building and sustaining non-capitalist economic practices. While most of us may already be operating in this role in our households and communities, our **non-capitalist economic identity** as such is not brought into language and visibility and our desires for non-capitalism are not kindled. Indeed the desire for recognition as a subject of capitalism is what appears to be uppermost. In countless ways popular representations fan the desire to be a consuming subject of capitalist commodities, an investor with a claim on capitalist wealth, or a participant in capitalist enterprise. Working against and with these desires, unraveling their 'capitalist' versus their inchoate non-capitalist

economic nature, kindling desires for different kinds of identification and connection via economic practices—these are the goals and substance of our action research.