Making the Corporation, and its Critics

Mining Capitalism: The Relationships between Corporations and Their Critics

Enacting the Corporation: An American Mining Firm in Post-Authoritarian Indonesia
Marina Welker (Berkeley: University of California Press, 2014)

In 1940, Max Gluckman wrote a celebrated account of the ceremonial opening of a bridge in Zululand. In it, Gluckman captures the fissures and convergences between a multiplicity of actors – from policemen and tribal headmen, engineers and mine laborers, to trade unionists and magistrates – brought under a colonial “social situation”. Seventy-five years later, Marina Welker’s Enacting the Corporation and Stuart Kirsch’s Mining Capitalism similarly describe the increasingly salient communities that have sprung up alongside – or in fierce opposition to – mining corporations across the world. Albeit with different results, each book seeks to examine how corporate boundaries and their mechanisms of governance are shored up or undermined, focusing respectively on the Indonesia operation of Newmont Mining Corporation and the fate of BHP’s gold and copper mine of Ok Tedi in Papua New Guinea.

“Recalling how idyllic it seemed back in 1994,” Marina Welker tells us, “one Australian contractor remembered saying to another expatriate as they walked along a beautiful beach: ‘You’re really going to put a dirty copper mine here?’ (p. 73). In her book, Marina Welker tracks the processes and relations continuously mobilized to put Newmont’s mine in southwest Sumbawa, Indonesia, which is to say the situational enactments – always incomplete and provisional – that made such a project possible. Taking the corporate mine as a cultural and political node of economic and social life, Marina Welker traces with detail and an elegant ethnographic voice the performative and pragmatic events that re-affirm and continually re-negotiate the meaning of Newmont’s Batu Hijau mine. Her principal contribution revolves around the concept of enactment, or the ways in which the corporation is made and unmade in multiple and contradictory entanglements, from the company’s relations with the Indonesian state, local elites, subsidiary companies and subcontractors in Southwest Sumbawan villages, or as a largesse-distributing patron and symbol of American imperialism. Marina Welker reveals a powerful yet vulnerable corporation, fixed but also mobile, resisted but drawn into, threatened by but willing to co-opt its
critics. Importantly, Welker avoids both a normative and essentialized view of the corporation or of its management as monolithic in this minute account of corporate habits and routines as well as the relation of its personnel to other people and objects.

Benefiting from significant research access, Welker moves from the corporate headquarters’ enactment of an idealized responsible mining firm (ch. 1) to “shadowing” external relations auditors as they enacted a “transparent, accountable, responsible, and auditable corporation” (ch. 6, pp. 184–185). *Enacting the Corporation* provides much needed attention to the contradictions inherent within the corporate project, be it from the vantage point of its practitioners (managers and experts, elites and farmers, trainers and auditors, to name only a few covered in the span of the book’s six chapters) or in its contested enactments with the Indonesian state, local communities, and from the standpoint of its own organizational structure. Welker aims to reconcile the ideological trope of Newmont Mining Corporation (and its local subsidiary of PT Newmont Nusa Tenggara) with a relational, socially constructed, and context-specific quotidian life of the corporate form. In this, Welker provides an important ethnographic counterpoint to mainstream discourse on Corporate Social Responsibility and the assumption that the corporation is a coherent and profit-maximizing actor disengaged “from the human and nonhuman agents involved in enacting and contesting corporations and their responsibilities,” (pp. 15–16) although questions remain as to the exact limits and constraints posed to and by enactment (be it by certain events or actors said to carry more structural weight).

Stuart Kirsch’s *Mining Capitalism* is an ambitious project that tracks the emergence of transnational alliances between indigenous people and NGOs in the aftermath of one of the worst mining disasters in history, named after the mine of Ok Tedi. For more than two decades, Stuart Kirsch has documented and denounced this disaster in its multiple and often unintended outcomes. The author, incidentally, became a prominent figure in the campaign against the mine after publishing an op-ed for the Times of New Guinea and giving a radio interview in 1989 that rallied some indigenous activists to the cause (p. 57). In chapter one, the author draws from his research among the Yonggom to describe the impact of large-scale extraction on indigenous practices and cosmologies. With alarming evidence of an ecological disaster in the making, Ok Tedi became the catalyst for creating new alliances between local indigenous groups and global environmental organizations. As local ecological concerns converged with emerging international NGOs monitoring mining sites in the early 1990s, Kirsch argues, indigenous rights and ecological movements were dialogically and horizontally constructed by mutual recruitment and collaboration (ch. 2). Once exposed to global criticism, BHP was brought to litigation in a pioneer case charting the accountability of international corporate operations (ch. 3). Despite a successful settlement, no international standards were obtained and a tailings dam was never built. Eventually the ecological damage became too toxic for BHP, who left the project in 2001. In chapters 4 and 5, Kirsch explores how corporate claims to science are deployed, legitimized, and manipulated to stifle criticism and how
corporations respond, neutralize, and otherwise co-opt NGO criticism and indigenous resistance. He offers concluding lessons to be learned from this disaster in the final chapter and how to strategically defy and prevent the harmful effects of mining projects.

While the environmental movement is the subject of a fine-grained ethnography in Kirsch’s book, the same cannot be said of the corporation. This is in part justified by what Kirsch sees as the risk of co-optation given the ethnographer’s tendency to “empathize” with research subjects and thus “influence their findings or temper their critical perspectives” (p. 12). This perspective neglects the local regimes of valuation by which the corporation emerges, namely by the Yonggom who see the mine as a “kind of corporate person” (p. 39). Similarly, Kirsch dismisses as “fraudulent charade” (p. 144) what Welker takes seriously as ethnographic events, such as in the case of the corporate performance of environmental safety. In both books, however, the miners themselves and the labor they perform are largely missing. This absence is particularly noteworthy given the complex relationships mapped by both authors within and between corporations and their critics.

Taken together, *Enacting the Corporation* and *Mining Capitalism* vividly demonstrate the substantial contribution of ethnography to understand the nexus of power relations built in and around corporations. Although differently concerned with the internal organization and the externalized effects of corporations, each book in its own way offers a complementary view: where Welker sees the corporation as enacted in all its failures and vulnerabilities, Stuart Kirsch proposes a “dialectic of relations” between the corporation and its critics as a “permanent structural feature of neoliberal capitalism” (p. 3). There is here, too, a moment of enactment, such as when Kirsch introduces the mobilization of “transnational action networks” as enacting a “politics of space” (p. 2), although the dialectic fails at times to clearly account for the power of local actors to disrupt production (p. 48) or the company’s capacity to “internalize” criticisms (p. 184). However, the relationships mobilized by corporations and their NGO and indigenous counterparts – in-between alliances and oppositions – are not stable given their continuous adaptation to new problems and discursive strategies. Similarly, Welker looks at the relations and processes that enact the corporation and open it to external connections and material and immaterial processes, rather than giving prominence to the idea of Newmont as enacted in putatively discrete entities such as the mine, villages, and communities. The resulting composite picture of the corporation is as heterogeneous as it can be contradictory, but fundamentally provides the theoretical grounds for an analytical and conceptual critique of the ubiquitous place and role of corporations across the world.
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REVIEW ESSAY

New Middle Classes and their Politics

Politics in Color and Concrete: Socialist Materialities and the Middle Class in Hungary
Krizstina Fehérváry (Bloomington: Indiana University Press, 2013)

Along the Bolivian Highway: Social Mobility and Political Culture in a New Middle Class
Miriam Shakow (Philadelphia: University of Pennsylvania Press, 2014)

Krisztina Fehérváry’s Politics in Color and Concrete and Miriam Shakow’s Along the Bolivian Highway both contribute, in very different ways, to the still rather incipient anthropology of middle classes and, in particular, new middle classes. Both authors focus on the politics that inflect and grow out of these groups’ quandaries of status and how their forms of personal and collective self-definition (or, in Shakow’s case, lack of them) are bound to transformations in the national imaginary and struggles over what constitutes proper citizenship. Neither case is what one might call typical. Rather, these are novel social formations scrambling to find their feet on rapidly shifting terrain: post-socialist Hungary in the 1990s and Bolivia in the mid-2000s, just as a socialist-inspired project was coming to power. What counts as middle class in each case is radically contrastive, and the two books together provoke scholars to question what it means politically, around the globe, to call a social formation middle-class.

Krisztina Fehérváry’s richly detailed historical anthropology of the materialities of state socialist and then post-socialist homes takes a close look at everything from the construction and distribution of housing, layout and home décor, consumer goods, shopping practices and store displays, to the nitty-gritties of cement, plastic, wood, wool, and, finally, such post-socialist excesses as high-tech thatching marketed as natural. The chapters trace how the qualities of objects, furnishings, spaces, and building materials were valued and revalued across a series of “aesthetic regimes” (pp. 3–6) dating back to the beginnings of Hungary’s socialist period in the aftermath of World War II. Focusing on the model socialist city of Dunaujváros, Fehérváry shows how these aesthetic regimes were at once connected to explicit state policies and theories about the role of material life in social transformation, and to the everyday experience of these materialities as intensely political. The continuities and contrasts that obtain across aesthetic regimes, as subjects built upon or reacted to their values, pivot around the home because of the peculiar significance this space took on during the Soviet period. For the state, it was a key ideological site commanding intense investments, while for citizens, it became all the more important since private property was reduced to it.
Gradually, they too came to treat it as a site for inordinate affective and economic investments (to the anthropologist’s initially uncomprehending eye). It is only out of this process, Fehérváry argues, that the aspirations and anxieties of the new post-socialist middle class in Hungary – and its ability to set a new standard – can be understood.

As materialities emerged at the crux of struggles over what political subjectivities should and could look like, they also acquired expanded communicative potentials. Not too far into the socialist period, for instance, people began to see cheaply-made goods and housing as reflecting the state’s low opinion of them. That is, the processes of signification that worked through material objects were not restricted to proclamations of self, as middle-class consumption is usually understood. But Fehérváry shows this was only due to an earlier Socialist Realist moment in which the state used quality materials to convey to the working classes, in material idioms familiar from earlier bourgeois styles, their newly elevated status. Similarly, the free-standing country home that became emblematic of middle-class status in the 1990s stood as an icon of the family that inhabited it: detached, autonomous, and made of durable quality materials, at once natural and modern. What Fehérváry comes back to again and again, then, are the qualia of the material world as these are picked out as iconic of different types of people. This was as true of the middle class that rose to pre-eminent political legitimacy in the 1990s as it was of the proletariat that was concomitantly stigmatized: as gray and weak as the crumbling cement that for many synthesized socialism itself.

Thus when Fehérváry asserts that materialities “actively contributed” (p. 158) to the formation of political subjectivities, dispositions, and even new ideologies, this is thanks not just to the constraints the material world can impose, but to broad semiotic practices of drawing iconic correlations between people and the materialities with which they are associated. These practices, though, only become so intuitive and widespread through a historical valorization of materiality, a process Fehérváry traces back to the split between Stalin, who saw art and architecture as superstructural, and the modernists who saw them as socially transformative. As she notes, “the socialist state prioritized the material project of becoming modern” (p. 238) over other modes of doing so; it cultivated “attentiveness to the qualities of material goods and environments that were equated with human value” (p. 238). Socialism’s political promises were embedded in socialist materialities in such a way that – and this is Fehérváry’s main historical argument – a consumer class not only emerged under socialism, but went on to live out in the neoliberal 1990s what began as socialist dreams. The embrace of capitalism, as well as the all-too-quick disillusionment with it, came straight out of the ways in which the socialist state had long undermined its own project by fomenting igényes (demanding or discerning) consumers who then felt stymied in their efforts to inhabit a Western-style, middle-class modernity—to inhabit lifestyles, that is, that even under socialism were already perceived not just as desirable but as putatively normal.

In chapter 1, Fehérváry reviews several local frameworks for evaluating the material environment that reappear throughout the book; she then provides four chapters tracing evolving aesthetic regimes under socialism. Besides her meticulous archival work, Fehérváry is aided in this project by her personal experience in Hungary
dating back to childhood visits in the 1970s, experience that is invaluable in grasping the nuances of Hungarians’ lived relation to material forms. The last three chapters focus on the 1990s. They give ethnographic flesh to her strongest statement of the larger political stakes of her project: “The dream of a universal middle class [...] died with state socialism” (p. 22). Now the only options are “so-called First World standards” or, if one cannot live up to these, “the denigrated state of a Third World underclass of people that do not count as full-fledged citizens” (p. 22).

Shakow’s book provides an illuminating comparison for thinking through this declaration. If the new middle class of Hungary’s 1990s consisted emblematically of those with the means to build their (often quite ostentatious) dream house in the country, the new middle class of the small Bolivian municipality of Sacaba looks impoverished in comparison: possibilities for consumption are radically reduced. Bare cement floors are an index of wealth, and even professionals may emphatically identify as peasants. Many are involved in the agrarian unions of the Chapare, where almost all the families Shakow describes made their money growing coca. By the mid-2000s, the period Shakow focuses on, Bolivia was caught up in a socialist project (the Movimiento al Socialismo or Movement Toward Socialism; henceforth MAS) the identity politics of which left little room for these people’s projects of upward mobility. Indeed, the most basic ethnographic fact in Shakow’s portrait of her interlocutors’ effects on Bolivian political culture – effects she argues are profound – is the lack of any term to designate them, draw them together as a self-conscious group, and legitimate their upward mobility.

In the first chapters, Shakow shows her interlocutors wavering between self-identification as peasants, poor, or otherwise subaltern, and the defense of elite positions, such as the rejection of property redistribution. Such wavering permeates even the most intimate relationships, often turning not just classist but deeply racist. As Shakow moves into a detailed analysis of the response to Evo Morales and the MAS, these wavering identifications reveal a deeper tension between what Shakow calls “superiority” and “egalitarianism” (pp. 23, 45–48, 56–63, 74–75, 88, 97, 102). Both are cultural values: according to Shakow, superiority encourages upward mobility while egalitarianism promotes staying on a par with one’s peers. The final chapters examine how this clash of values plays out in local debates on clientelism and community. Both discourses are self-flagellating. While clientelism is intensely stigmatized, Shakow maintains, it remains one of the only available paths for upward mobility; verbal mention of the word “community” likewise triggers laments over how townspeople fail to pull together. In both cases, Shakow finds a poor fit between political models (liberalism and grassroots democracy in the case of clientelism; peasant communities charged with development versus politicized agrarian unions in the case of community) and reality.

Along the Bolivian Highway pays close attention to the small social dramas in which Sacabans struggle to define themselves and defend the morality of their social position. From family tensions around marrying up or down to disputes that erupt in public meetings, from fleeting remarks to long-term individual trajectories, Shakow draws on extensive fieldwork to illuminate the tensions of occupying social ground
neither clearly subaltern nor elite, and the larger political dynamics that come of negotiating that status. Though she does not frame the book this way, it is thus largely an ethnography of discursive categories, and Shakow carefully tracks their shifting use from one context to another. She comes closest to making this ethnographic focus explicit in chapter 4, which she notes is not an ethnography of clientelism but of accusations of clientelism. Shakow argues that these accusations constitute strategic claims to morality, and shows the dire political consequences they can have where competition for government-controlled resources is stiff. Indeed, competition for resources (mainly, party-allocated jobs) is behind the fraught nature of identity positioning in general, for under the MAS, subaltern status became a requisite for political legitimacy. Given this, one wonders if this kind of identity claim can ever be entirely unambiguous. Shakow repeatedly recognizes that political discourse must skip fine-tuned distinctions in order to interpellate broad audiences. But she nonetheless calls emphatically for recognition of the middle classes and acceptance of the self-interest driving their upward mobility from scholars and from Bolivians. The reason for her call is the political strife she attributes to this discursive hole.

Shakow simultaneously opens other avenues of thought for grappling with the same issue. She emphasizes, for instance, how talk of clientelism is often talk of envy. Given the anthropological literature on envy, one wonders if this is not an older discourse that has merged with the liberal denigration of clientelism. Accusations of clientelism might then appear much more rooted as a social dynamic, and the divisiveness these accusations foment might not be so easily dispelled as Shakow hopes when she calls for Bolivians to recognize that self-interest is a natural fact of life, “impossible to expunge from human society” (p. 121). More importantly, the central tension between superiority and egalitarianism may not represent such a deep clash. Salir adelante and superarse (to get ahead and improve oneself) are both local ideals Shakow glosses in terms of a moral imperative towards superiority. Yet, elsewhere in Latin America, these terms can refer primarily to one’s own trajectory and not necessarily to getting ahead of or being superior to others. Personal benefit need not be conceptually opposed to the general improvement of the country—the bettering of one’s own lot could be the very index of collective bettering. In this sense, Shakow’s interlocutors may not be as inconsistent as she insists.

This point brings me back to Fehérváry’s statement, “The dream of a universal middle class […] died with state socialism.” If state socialism did represent such a dream, though, it did not do so via a language of middle-class-ness. In Hungary, the term middle class has served to legitimate new and bewilderingly drastic social inequalities. Such legitimation is perhaps inherent to the term, suggesting as it does social hierarchy. If the term is absent in Sacaba, this may have more than a little to do with the fact that equality remains such a strong value. The buen vivir of Bolivian socialism is not the First World “good life” (pp. 70, 78, 251) Fehérváry references—it is not a project for a middle class that would be in the middle, but for one that would be, to use her term, universal. In this sense, the political turmoil Shakow worries is jeopardizing the socialist project might be seen in more positive light, in the sense that it indicates inequality has not been normalized. To naturalize self-interest and the
desire for status runs the risk of conflating the legitimation of economic betterment and that of social inequality. The danger here is in replicating neoliberal discourses that in recent years have seized on the idea that Latin America is full of emergent middle classes, new consumers, and dedicated entrepreneurs who will finally put the region squarely within the purview of capitalist liberal democracy. Sacaba’s new middle class is only such in a sociological sense, as an assortment of people whose means have put them above the level of the subaltern. But as Fehérváry compellingly shows, it is the middle class as an ideological formation, a normative model in wide circulation, that has the most potent and devastating social effects. Shakow’s Sacabans have not, apparently, been interpellated by this norm, and perhaps that is, after all, a good thing.