

## Indigenous economics: a different rationale

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*More and more scientists now accept that farmers' indigenous technical knowledge plays an important role in deciding about agricultural innovations. However, when farmers assess new activities they do not consider technical criteria only. Rural people's economic decisions are also determined by their specific social and cultural context. The considerations of farmers in making choices on production, exchange and consumption can be called indigenous economics. Development workers need to acquire knowledge about the indigenous economics of the society in which they work, if they want to understand the priorities and constraints of the people involved.*

From 1984 to 1990 I worked for the Christian Church of Sumba in their project for rural development PROPELMAS. Sumba is one of Indonesia's most isolated and poor islands. Gross Domestic Product per inhabitant is less than 50 dollars annually. The island is sparsely populated. The landscape is dominated by rolling limestone hills, dry and barren in the eastern part of the island, and covered with grass and shrubs in the middle and western part. PROPELMAS is located in the middle part. The rainy season lasts for about seven months, with average rainfall of about 1500 mm annually.

The rural population makes a living of a combination of dryland farming, rice cultivation on fields at the bottom of the valleys and extensive animal husbandry. Dryland farming mainly follows local traditions, using no external inputs at all. For recently introduced crops, partly grown as cash crop and partly for home consumption, some external inputs are used, such as improved seeds and pesticides. In rice cultivation use of external inputs is also very limited, since Sumbanese farmers prefer to spend the money they have on school fees or hospital treatment rather than use it to buy fertiliser or insecticide.

PROPELMAS aims to stimulate sustainable development in its broadest sense. Local people's priorities are to produce a sufficient amount of food for subsistence all year round, to keep up with social and religious obligations, and to earn money to be able to pay for the increasing amount of expenditures for tax, education, transport, health care and also modern household requirements. Sustainable agricultural development in this context includes soil conservation and increasing the production level without using external (chemical) inputs.

### *Farmers' rationale*

Increasing agricultural production to obtain more food and money involves a change. What are the ecological, social, religious, technical and economic constraints in increasing agricultural production? Assessing the potential for change and the feasibility of alternative ways of production can be done by (outside) experts, economists or agronomists, who either concentrate on the effects on farmers' income or on a agro–technical input–output ratio.

But what considerations do farmers themselves have if they think about changing agricultural practices or adopting new activities? To be able to answer these questions it is necessary to understand the existing local economy. The economy comprises all activities concerning production, distribution and consumption of material goods and the way in which these activities are organised.

The following examples illustrate the rationale behind Sumbanese indigenous economy, and how it differs from western (economic text book) ideas on economics. The first example shows how value is attributed to resources which are important in agricultural production. The second example addresses the issue whether farmers are free to change their way of farming according to their own wishes.

### ***The value of buffaloes***

I was confronted with the Sumbanese way of attributing value to buffaloes when I attended a funeral for the first time. On the day of the funeral, processions of relatives enter the settlement from all directions. Some groups carry large pigs, others bring decorated buffaloes. Two or three pigs are slaughtered immediately to provide the guests with a fine meal. At the first funeral I attended I witnessed (to my utmost horror) the slaughter of 25 large buffaloes at the end of the ceremony.

What a loss! Buffaloes are very important in the indigenous economy of Sumba. In rice cultivation herds of buffalo are used to prepare the soil by trampling. Not every farmer owns buffaloes. Those without buffaloes participate in working groups connected to a herd of buffalo owned by other people to get their fields trampled. Off-season, group members take turns in herding the buffaloes, during the working season they work together in the rice fields, cultivating both their own field and those of the buffalo owners. Buffaloes are also the major constituent of a bride price. They are never slaughtered just because people want to eat meat. The Sumbanese would consider that a shameless act and a total loss. Only for very special and urgent purposes it would be acceptable to sell a buffalo, eg. to pay for university fees or an operation in hospital.

So a buffalo has many values on Sumba: a social value, an agricultural value and a market value. Yet, it can be slaughtered at a funeral without force or regret because of its religious value. Slaughtering is believed to allow the buffalo pass from this world to the world of the deceased. The deceased ancestors, *marapu*, are powerful because they are the intermediaries between god and the living. They control people's fate and if they are not respected properly, they will cause disease and misfortune. If one firmly believes in *marapu*, then slaughtering buffaloes is not a shameless act of capital destruction, but a logical, even rational, contribution to the welfare of the family.

### ***Who decide on change?***

Who decides what is to be done with the family's buffalo? Who decides to start a new agricultural activity? These questions address the way in which the indigenous economy is organised. On Sumba, this organisation is traditionally very hierarchical. Within clans the oldest generation of men have the power to decide on land allocation, labour use and livestock. Social status also plays a role in this hierarchy, with the noble lords at the top and the slaves at the bottom.

As a consequence, even at present, no household can completely decide for themselves what they do, how they make a living. There is at least a mutual dependency. A traditional pattern of dependency relations exists between old people who own land and buffaloes, but are no longer capable to work their land and care for their animals, and young people who do not own land and buffaloes, but are willing to work for others.

Recently a third party entered this pattern: the urban officials, who can provide rural people with money. The indigenous economy of rural Sumba has always been an in-kind-economy (Vel, 1994). Exchanges are numerous, of various types and they take place in different exchange circuits. However, exchanges for money –selling and buying– were confined to rare cases of trade with strangers. Even today most exchanges are in kind.

Yet, all Sumbanese require money now. One would expect that they would think about producing surplus to sell on the market. Of course this happens, but to the Sumbanese an even more logical way to get money is to seek good relationships with people who earn a salary. In exchange for often unspecified services the person with a monetary income gives part of his salary to his farmer relative.

For example, children of farmers stay with relatives in town, who pay their school fees and provide them with board and lodging. In return the children work as household servants after school hours and their parents cultivate a rice field in the village for their urban relative. In this way exchange networks are created which directly link urban and rural people. Urban officials sometimes decide what is happening on village fields and a large part of the official's salary is not spent for his own household.

### *Expert vs indigenous economics*

Therefore, taking decisions on economic activities is not just a matter of economics, in the sense of universal economic science. The story about the value of buffalos on Sumba shows how difficult it is for outside economists to predict how agricultural resources will be put to use. In the process of resource allocation, criteria related to market value, practical value, social value and religious value are involved. How these various criteria are balanced and compared can only be addressed by the farmers themselves.

It would be very difficult to make a sound cost-benefit analysis of all these uses of a buffalo on Sumba. Most costs and benefits involved cannot be expressed in monetary values: there is no fixed price for labour, people never pay buffalo owners for using their animals, what is the value of a bride compared to the value of two years university education? In my opinion, the best economists can do in this situation is to listen to people explaining their considerations in deciding how to use their buffalo (or other productive resources), providing information on alternatives and helping people to formulate the choice in terms of their own criteria.

These criteria are not fixed or static. They change over time, along with the changes in religious adherence and as a consequence of education and contact with people from other areas. People mix old and new norms and values, negotiate to make the mix correspond better with their own interests. Development workers participate in this negotiating process.

The story about exchange networks poses more questions. What is the boundary of an agricultural household? Who benefits from income generating activities for the farmers in the village: the farmer's family or their urban network partner? If a change in agriculture changes the ratio of capital and labour input, what are the consequences for the partners in such an exchange network? The latter question is especially relevant in discussions concerning the assessment of LEISA.

In exchange networks like these on Sumba a large part of farmers' monetary expenditures, including the costs for external agricultural inputs, is paid by their urban partners. A shift in agricultural technology towards a type of cultivation which uses less external inputs but is more labour extensive, would be a burden for the farmers' household and financially favourable to the urban network partner. Perhaps this is a rare case, but the general conclusion holds that in decisions concerning agricultural technology more actors are involved than just the farmers who actually cultivate the fields.

### ***Respecting a different rationale***

Taking people seriously is the basic attitude of researchers and development workers who study indigenous knowledge and practices. With regard to economic issues this means that the norms, values and practices of the members of a specific society are respected and not a priori condemned as irrational and therefore irrelevant.

This does not have to imply that one should take a local economy for granted. Development workers are always involved in stimulating changes. In changing agricultural techniques participatory technology development (PTD) is the method by which outside experts and farmers join hands to think of the best alternative in their specific situation. Studying indigenous economics opens the way for "participatory economic development". In such a process development economists learn local idiom and translate intended changes in concepts which make sense in the daily lives of the farmers involved.

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### ***Reference***

– Vel, JAC. 1994. *The Uma–economy: indigenous economics and development work in Lawonda, Sumba (Eastern Indonesia)*. Wageningen Agricultural University.

**[Back to Top](#)**