

Kinship, reciprocity and the dynamics of translocal/trans-jurisdictional networks: the foundations and significance of South Asian initiatives ‘from below’

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The currently conventional assumption that long distance migration is a novel phenomenon manifestly unsustainable: ever since our ancestors began to look beyond the savannahs of Africa 100,000 years ago, their descendants have constantly been on the move. Long before Europeans set off to ‘discover’ the New World, and in due course to claim sovereignty over large parts of it, members of other civilizations had spread their own traditions far and wide. From the desert fastnesses of the Hijaz, Islam expanded to attract followers across an arena stretching the Atlantic to the Pacific; meanwhile Hindu and Buddhist ideas and ideologies emanating from north India had had a far reaching impact on a huge arc reaching through Central Asia, Japan, China, South East Asia, Indonesia and the Pacific long before Vasco da Gama rounded the Cape of Good Hope. This is not to suggest that the expanding influence of these religious and cultural traditions was solely a product of migration and conquest: in most cases inflow of personnel on that basis was dwarfed by the much larger number of people who found themselves so inspired by the newcomers’ ideas and ideologies that they voluntarily incorporated them into their own more indigenous lifestyles.

But just who engaged in these migratory activities? Why and on what basis did they set out for their destinations? And just how did they behave after their arrival?

Until recently conventionally-minded Euro-American social commentators assumed they knew the answer. Drawing on their knowledge of the way in which the Roman Empire operated, as well as of the way in which their own immediate ancestors had also implemented a parallel ‘civilizing mission’ which has likewise been underpinned by hegemonic – and ultimately by military – power, they all too easily assumed that all other exercises in long-distance influence must have been similarly grounded. But as closer inspection is beginning to reveal, whilst the willingness of crusading European adventurers to deploy force as a means of getting their way was by no means unprecedented, such tactics were far less ‘normal’ in a global context than either the perpetrators or their apologists so readily assumed. Long-distance trade, conducted on a commercial and hence a peaceful basis, was in fact a much more commonplace foundation for the diasporic transmission of religious and cultural influences around the Indian Ocean than was military conquest (Chaudhuri 1985).

Have those days now long since passed? In the midst of the sound and fury of current overseas military initiatives led by the United States, together with the ‘terrorist’ backlashes which they have generated, ‘world peace’ remains a distant mirage, despite – or perhaps precisely as a result of – the parallel onrush of globalisation. But how much weight should we give to the Jeremiahs who proclaim this process a Euro-American *Jagannath* set to crush all opposition beneath its wheels? Or are the wheels of this historically contingent behemoth falling because they can no longer bear the weight of its own internal contradictions, as Darwin (2007) implicitly concludes? Once viewed from a global perspective, rather than through parochial spectacles still worn by most natives of the westerly peninsular of the Asiatic landmass, it has become blindingly clear that confident predictions to the effect that history has come to an end (Fukuyama 1993) were desperately premature.

Once globalisation is considered from a less parochial perspective, any assumption that Euro-America always occupied the position of global hegemon, or that it can be expected to enjoy that position for very much longer, must be abandoned. To be sure the inhabitants of this region have enjoyed the benefits of their imperially driven position of competitive advantage for the best part of two centuries. But that position unwound at bewildering speed at the opening of the new millennium largely (although not exclusively) as a result of the way in which advances in communications technology enabled goods, people and information to be transferred around the globe with unprecedented speed, and at an ever-diminishing cost.

However this most recent phase of globalisation has not given rise to *generalised* patterns of mobility: rather it has been accompanied by the introduction of ever more draconian constraints on unwelcome forms of mobility, and most especially of certain categories of people. Hence whilst both information and value (in the financial sense) can be, and are being transferred around the globe with without significant hindrance, and tariff restriction on the transfer of goods (and most especially manufactured goods) have by now been largely eliminated, constraints on the movement of people have become increasingly draconian. However these constraints are highly selective. They take the form of sieves designed to offer the minimal degree of hindrance to the great mass of ‘legitimate’ border crossers, whilst halting all those whose presence on the far side of the border is deemed to be unwelcome. Hence even though the scale of long-distance travel is growing by leaps and bounds, those whose passports are issued either by poverty-stricken or by ‘terrorist-generating’ states find themselves routinely subject to exclusion – unless their wealth or professional credentials are

sufficiently impressive for their case to be accepted as exceptional. Hence boundaries show no sign of disappearing: in the face of ever growing concerns about 'national security,' jurisdictional boundaries are becoming ever more sharply marked.

Moreover there is a clear socio-spatial dimension to the construction of these protective sieves: since their ultimate objective is to sustain the current balance in the global distribution of wealth and power, they selectively target those factors which threaten to disturb that balance. Of these two are of particular importance. Firstly 'over-cheap' manufactured goods, which threaten the employment prospects of workers within the jurisdictional borders; and secondly what can in this context best be described as 'over-cheap' workers, migrants whom it is feared will have much the same effect on the indigenous labour market. Of course there is also a profound contradiction in all this: not only do all sections of the indigenous population have an insatiable appetite for 'over-cheap' products. In every developed economy there are now a huge swathe of low paid menial tasks which no-one but 'over-cheap' immigrant workers are prepared to accept. These steadily widening contradictions, all of which are an outcome of current process of hegemony-sustaining globalisation from above, have begun to open up all sorts of new opportunities for those operating from below.

A View from Below

Southern perspectives on these issues differ radically from those which have crystallised in the global North. Those who view these processes 'from below' are invariably acutely aware that the current processes of globalisation did not emerge in the midst of a homogeneous world order: rather they took off in the midst of, and were indeed the central product of two centuries of Euro-American imperial expansion, and which facilitated a system of value transfers which ultimately delivered unparalleled levels of prosperity to the inhabitants of the global north, to the radical disadvantage of the inhabitants of the global South. But for how long can this structure last?

Although the inhabitants of the global north are still for the most part assume that their comparatively recently constructed condition of global hegemony is a permanent fixture, those less blinded by hubris can detect the inevitable approach of nemesis: in this case a special shift in the centre of gravity of the global economy back to the regions in which it had lain for several thousand years before Euro-American imperial expansion shifted it westwards: in southern and eastern Asia. For Euro-Americans the impact of this reversal is

already proving to be traumatic. Besides having failed to appreciate the consequences of outsourcing large parts of their industrial base eastwards, where industrious and innovative Indian and Chinese had begun to put Euro-America's recent scientific and technical achievements to excellent use, so enabling them to pay back their former hegemon in spades, Euro-American financial engineers took the opportunity to play mayhem with the banking systems, building giant pass-the parcel Ponzi schemes at the end of which Euro-America has found itself deeply indebted to a number of Asian jurisdictions – although not, to be sure, the South as a whole. As a result Asia has found itself holding most of the credit, and Euro-America most of the debt. It seems that nemesis has arrived. However seemingly invincible the forces of globalisation from above might have appeared to its beneficiaries, the counter-hegemonic forces of globalisation 'from below' are steadily eroding the positions of advantage which Euro-Americans had come to consider were theirs by right.

However the shift of the centre of gravity of manufacturing activity from the west back to the east has not been the only tectonic shift which has been precipitated by the latest phase of globalisation. In recent years growing levels of prosperity has precipitated a steady withdrawal of indigenous workers from the all manner of menial task occupations throughout the global north, such that large numbers of long-distance labour migrants have been drawn 'upwards' from the South to fill the vacant slots in Northern labour markets. So long as economic growth in the North remained rapid, and so long as workers in outsourced industries were able to find employment in the burgeoning service sector, the arrival of a Southern underclass to fill the menial sector caused little concern. However here, too, the worm has recently begun to turn.

Now that a financial crisis of unprecedented severity has set in, indigenous workers have found themselves losing their jobs in droves. And although still exceedingly reluctant to accept the menial jobs which migrant workers took as a means of establishing a foothold in the northern labour market, indigenous workers have become increasingly jealous of their competitive presence – most especially since most of the Southern settlers have begun to move steadily upwards and outwards in material terms since their arrival.

In structural terms both developments have had similar distributive consequences: a diminution of the established patterns of inequality between North and South, achieved by means of a redistribution of material assets from (some) Northerners to (some) Southerners. To those engaged in this dialectic exercise 'from below', their achievements are regularly

perceived as the welcome result of all manner of entrepreneurial initiatives on their part. By contrast those who have found themselves the targets of these competitive initiatives take a very different view. From their perspective these initiatives appear to be as illegitimate as they are transgressive: hence the construction of sieves at every jurisdictional border in an effort to keep them at bay.

Across the *kala pani*: the growth of South Asian transnational networks

Despite the injunctions of Brahminical orthodoxy which suggested that those who left the shores of Bharat and crossed the *kala pani* to overseas destination would suffer a loss of purity, South Asians had played an active role across the length and breadth of the Indian Ocean for many centuries before Vasco da Gama rounded the Cape of Good Hope. Long-distance travels around the Indian Ocean, as well as back and forth across the passes of the Himalayas were already a feature of the South Asian world long before the beginning of European activity in the region (Chaudhury 1985, McPherson 1993, Steensgard 1974). Unfortunately those who travelled beyond the shores of the subcontinent left far fewer records of their experiences than did incoming visitors such as Al Biruni and Ibn Batuta from the Arabic-speaking world and Fa Hsiang from China; nevertheless the scale of Indic influence – no less in Hindu than Buddhist formats – over a great arc running from central Asia through Japan and China to southeast Asia, Indonesia and round to Sri Lanka provides indisputable evidence that the traffic was by no means one way.

Long-distance trade has always been a specialist operation – and all the more so prior to the availability of instant global electronic communication. In addition to constantly updated knowledge of market conditions across a swath of distant locations, successful merchants also needed to find some way of constructing coalitions of mutual trust to sustain the financial logistics of their spatially extended operations (Gambetta 1988, Ballard 2005), an objective which most easily achieved by establishing collateral branches of one's family in all the markets in which it did business. Diasporic networks constructed on this basis emerged from a wide range of localities throughout the region, including Christians from Armenia, Jews from Baghdad, Muslims from Basra and the Yemen, Hindus from Gujarat and Malabar, and Chinese from Fujian. Hence by the time the harbingers of future European

Imperial dominance found their way into the Indian Ocean, substantial colonies established by a range of translocal¹ entrepreneurs could be found in all the region's major trading hubs.

But whilst the process of European imperial expansion was also translocal in this sense, the character of the networks through which they were implemented was quite different. In the first place they were invariably military no less than commercial operations, operating under a Royal (and monopolistic) *imprimatur*: in other words they were state sponsored. Secondly their ships were invariably equipped with heavy weapons, such they were in a position to trade under military duress whenever the opportunity arose: in other words they were close to being privateers – a polite term for state-licensed pirates (Pearson 1976). Thirdly each such enterprise was grounded in relationships of contract rather than kinship, and in due course coalesced into to a whole series of nationally specific joint stock companies – of which the Dutch and the English East India Companies are the classic exemplars. Last but not least those involved preferred to treat 'the natives' whom they encountered with infinite disdain, because they failed to appreciate the intrinsic superiority of Christianity, and the allegedly enlightened civilization which they held that their beliefs supported.

But despite their hegemonic aspirations, these early European adventurers found the going tough, especially in the Indian Ocean region. Whilst they could command the seas with relative ease, since local shipping was unarmed, and could also use their armaments to impose their will in the ports in which they established 'factories' (i.e. trading stations), they soon found they had little in the way of tradable goods of interest to local counterparties – at least until the opening up of the silver mines of Potosí gave Europe access to what amounted to 'free money' (Frank 1998). Hence the most significant initial impact of their arrival in Indian Ocean region was to boost the level of liquidity in both the Indian and Chinese economies, and hence to expand the scale of the manufacturing activity – particularly in the sphere of textiles and ceramics – across the entire region. In other words their arrival had the effect of yet further stimulating economic development across large swathes of Southern and Eastern Asia, especially in the hinterlands of major ports – which at that stage still lay outside European control.

¹ Since nation-states in the contemporary sense were a post-Westfalian European invention, the use of the term 'transnational' in Southern contexts prior to the late nineteenth century should be regarded as an anachronism, since nation-states in the contemporary sense were unknown in the earlier period.

There is no space here to discuss the ways in which Asia's interlopers from below eventually managed to transform themselves into hegemonies operating from above, other than to note that they did not begin significantly to turn the tables of power on land until the end of the eighteenth century, before rushing on to achieve a position of comprehensive economic hegemony – no less at a global level than in the Indian Ocean region – during the first decade of the twentieth century (Darwin 2007). But whilst this development undoubtedly had disastrous consequences for the indigenous manufacturing capabilities in both India and China, for the direction of flow of manufactured products, and especially of textiles, was promptly reversed, the establishment of a near-global condition of *Pax Britannica* provided entrepreneurially minded traders in India (and many other parts of the Asiatic landmass) who found they had thereby become subjects of Her Britannic Majesty's with all manner of novel opportunities.

Although the precise way in which they exploited those opportunities varied from region to region, and indeed from community to community, the broad outlines of the ways in which they set about doing so are not difficult to discern, given the availability of two fine empirical studies of how this occurred. In his exploration 'the ways in which two groups of South Asian merchants managed to carve themselves a niche in a European-dominated world economy' Markovits (2000) echoes the parallel observations of Pan (1994) for the Chinese when he emphasises that emigration did not take the form of a generalised outflow from across the length breadth of the subcontinent. Rather it was initially confined to areas such as Sindh, Saurashtra, Gujarat and Kerala, all of which had been the home base of a multiplicity of long-distance trading networks in the pre-Imperial period. Pan makes just the same point with respect to Fukien and Kwangtung. Nor was there a generalised outflow from any of these regions. In every case the translocal entrepreneurs were based in specific towns and villages, and very often specific castes as well. Moreover virtually all the early migrants shared a common historical background in banking and business activity of some sort – no matter whether they were drawn from Muslim, Hindu, Jain, Sikh and Parsee or Hindu communities.

Hence trans-local or perhaps better still trans-jurisdictional appears to be a more appropriate adjectival qualifier for diasporic networks of this kind.

To be sure the recruitment base grew wider during the course of the twentieth century to include craftsmen and peasant farmers, but nevertheless prior connectivity – in this case of common parochial origin – still remained crucial. Hence when, to fast-forward yet further, when the industrialised regions of Euro-America and the oil-rich regions of the Middle East ran acutely short of unskilled labour in the latter half of the twentieth century, the vast majority were drawn either from the coastal areas of Saurashtra or Gujarat, or from equally specific locations in Punjab and Bengal which either the British Indian Army had been recruiting soldiers, or British steamship companies had been recruiting stokers from the end of the nineteenth century onwards.

No-where was overseas migration a generalised phenomenon. In each case migration from each locality began a result of a set of parochially-specific contingencies, and developed at the result of processes of chain migration. Once they started rolling such escalators proved to be virtually unstoppable, so much so that most are still rolling to this day. This brings me to my core issue of concern in this chapter: just what are the dynamics of the internal processes which have driven forward and sustained these transcontinental – in the current context trans-jurisdictional – networks with such success?

The Dynamics of Translocal Networks

Although Markovits does not manage to produce a full solution to this conundrum – largely because of the limited character of the historical data from which he has squeezed his insights – his analysis nevertheless goes a long way towards identifying its most salient features of these processes. In doing so he begins by highlighting the dynamic character of the

Structure[s] through which goods, credit, capital and men circulate regularly across a given space which can vary enormously in terms of both size and accessibility. A network generally consists of a centre, a locality or a cluster of localities where capital is raised and where capitalists have their main place of residence, and of dispersed colonies of merchants and commercial employees which keep close links with the network centre.

Between the network centre, on the one hand, and the dispersed colonies, on the other hand, goods, but also men (and sometimes women), credit and information circulate. While goods may also circulate widely outside the network (otherwise there would not be any exchange), men, credit and information circulate almost exclusively within it...

It is the capacity of the merchants to maintain a constant flow of information within the network that ensures its success. This means two things: first, that 'leaks' have to be avoided as much as possible to the outside world, secondly, that information must circulate smoothly within the network, both spatially and temporally, as it gets transmitted from one generation to another... The most successful merchant

networks have been those most able to process information into a body of knowledge susceptible of continuous refinement.

On this basis he then goes on to discuss the most crucial issues of all in such circumstances: credibility and credit. As he puts it

.... credit circulates within the network, generally at rates which are lower than the market rate, and without collateral. This opens up the delicate question of trust. ... We are told that preferential rates and the absence of collateral are explained by the existence of a bond of trust between the lender and the borrower. The existence of this bond of trust is in its turn generally related to kinship, caste and community (Markovits 2000: 25).

But how and on what basis are these bonds of trust maintained? Having given careful consideration to all the explanations he is aware of, Markovits finds them all wanting. Whilst he acknowledges that kinship is often identified as essential ingredient of all such networks, but nevertheless concludes that its importance can be exaggerated, on the grounds of his observation that business partnerships are often concluded between non-kin, albeit most usually still between men who belong to the same community. Likewise he dismisses the prospect that religion, at least in its wider categorical sense, might be the foundation for such bonds of trust:

... neither Hindu nor Muslim merchants represented homogenous entities. Between the strongly institutionalized religion of the Nattukottai Chettiar bankers, whose Shaivite temples served as clearing-houses, and the much more fluid religious universe of the Sind Hindu merchants, there was very little in common, [even though both] ... could be defined as 'Hindus'.

The same diversity is perceptible among Muslim merchants; between the religious practices and social institutions of the Shi'a merchants, both Khoja and Bohra, and those of Sunni merchants, there was also a wide gap. Even among Sunnis, Memons clearly differentiated themselves from other groups (*ibid.* 26).

Whilst his scepticism of explanatory theses grounded in stereotyped assertions about the characteristics of 'Hindus', 'Muslims', 'Gujaratis' and so forth is undoubtedly well taken, a further point stands out with some clarity in the midst of his careful analysis: the intensely *parochial* character of the roots of every network he examines, no matter how global their diasporic tentacles may eventually have become. Pan makes just the same point about Chinese networks. It follows that the ultimate question remains open: just what is it that holds such trans-local – and now overwhelming trans-jurisdictional – networks together?

The maintenance of trust and reciprocity in the absence of face-to-face interactions

In normal circumstances the patterns of trust and reciprocity which underpin all our most significant social relationships are played out within, and hence regularly renewed as a result

of, face-to-face interactions. However the moment inter-personal networks become spatially extended, such quotidian relationships of this kind can no longer be sustained. In these circumstances there is a very real prospect that the patterns of trust and reciprocity which were once sustained by such interactions will steadily atrophy, so much so that they may ultimately fall into abeyance. How, then, can such outcomes be countered in the situations with which we are concerned here?

Of all the relationships in which we participate, those of kinship are amongst the most resistant to atrophy. Even so their significance will inevitably fade if years pass in the absence of any kind of communication. It follows that regular communication of some kind is prerequisite for the maintenance of trans-local relationships, which can thereby be sustained even if direct face-to-face contact is postponed for years or even decades. It also follows that the richer these communicative interactions become, the more the prospect of atrophy will be held at bay. This is where Markovits' emphasis on the dynamic character of successful long-distance networks is so crucial: as he puts it, it is precisely the many forms of *circulation* (of goods, credit, capital and men) which such networks facilitate that accounts for their resilience.

To all of this I would add a further dimension of circulation which I have found to be a crucial feature in the maintenance of contemporary South Asian networks: that of women. If males are the initial pioneers – as has almost invariably been the case in South Asian diasporic contexts – by far the best way by means of those left back home can ensure the continued loyalty of those settled overseas, and by means of which those settled overseas can likewise ensure that they still have a secure place back home despite their physical absence, is by making appropriate marriages, no less on their own behalf than that of their offspring. In other words it is marriage alliances – or to put it more precisely the circulation of women as between all the available nodes in the network – which provides the ultimate foundation for the maintenance of ties of reciprocity as between those nodes, as well as an equally effective means of ensuring their integrity from generation to generations. This also has counter-intuitive consequences: far from undermining the strength of kinship bonds, where active trans-local networks are in place spatial separation frequently *reinforces* their significance. We need to consider how and why this occurs.

Viewed from a systematic perspective the construction of translocal networks is much more of a collective than an individual exercise: hence in well-articulated networks every participant has good reason to regard network-membership as a valuable asset. This was precisely the basis of Greif's insight – on the basis of his exploration of the business practices of mediaeval Jewish traders operating across the length and breadth of the Maghreb – that their networks could so reliably circulate capital, credit and information around the Mediterranean region because they constructed *self-regulating coalitions of reciprocity* as between themselves. However as we shall see, there is nothing specifically mediaeval about coalitions of this kind: his game-theory based analysis is considerable contemporary relevance. Hence its foundations are worthy of careful consideration,

Considered formally, Greif (1989) identifies three specific dimensions of the significance of coalition membership:

- i *Membership of such a coalition is a valuable asset*: it gives access to all manner of opportunities denied to outsiders.
- ii *Failure to fulfil one's obligations of reciprocity is potentially catastrophic*: loss of coalition membership leads to exclusion from those opportunities
- iii *The resultant sanctions are as spatially extended as the network itself*: all the transgressor's kinsfolk, wherever they are resident, are likely to find themselves branded as untrustworthy unless they also publicly distance themselves from the transgressor.

It is precisely these intertwined processes of positive and negative feedback that underpin the capacity of such coalitions to self-regulate themselves, even in situations where face-to-face interactions between major players in the network are relatively rare. It is also worth noting that whilst these three intersecting (and mutually reinforcing) vectors are frequently grounded in the moral reciprocities grounded in relationships of real kinship, they can readily be extended to incorporate relationships of quasi-kinship, or in other words who act *as if* they were kinsfolk.

It also follows that although the capacity to construct such coalitions of reciprocity is in no way ethnically specific, all such networks nevertheless emerge in the context of a specific set of historical, environmental and cultural contingencies. Hence both the speed of their emergence and the course and character of their subsequent trajectories are conditioned by three more key factors, including

- i. the ease and effectiveness with which the resources of members' prior cultural capital can be deployed and reinterpreted to facilitate the process of network construction;
- ii. the patterns of opportunity and constraint present in the socio-economic niches from which and into which they launch their initiative;
- iii. the wholly unpredictable contingencies which served to alerted those in the right place at the right time to the potentially exploitable niches available at some distant destination.

Whether they occur on a trans-local, a trans-national or a trans-continental scale, successful network building will only occur when all three of these variables are (and remain) favourably configured.

But whatever the character of such specificities, the maintenance of relationships of mutual trust and reciprocity amongst network members is a common element in all such structures, which are consequently invariably as strongly morally as well as materially ordered. Hence all potential sources of moral solidarity are very much grist to their mill.

But if the carrot-and-stick dimensions of such structures are to operate effectively, they also need to maintain clear boundaries. In this respect a further dimension of Indic behavioural conventions come into their own: the strong preference for caste endogamy. As a result the rules of endogamy are frequently just as strictly (if not more strictly) enforced in diasporic contexts than in South Asia itself. Sectarian loyalties can serve just the same function. *Tariqa*-based networks, in which faithful *murids* are bound together by virtue of their common spiritual loyalty to a charismatic *Sheikh* or *Pir*, have regularly emerged within, and driven the development of, many Islamic transnational networks.

Changing times, changing opportunities

As we saw earlier the construction of trans-oceanic networks by traders of Indian origin long preceded the arrival of the European privateers; and as Portuguese were followed by Dutch, English and French entrepreneurs, the region's indigenous networks were slowly but surely pushed towards the periphery – only to expand once again within the hegemonic context of European Imperium, as Markovits and a host of fellow-historians such as Timberg (1978), Subramanian (2005) and White (1995) have shown. However from the late nineteenth century a new phenomenon began to emerge: long-distance migration to fill vacant niches in labour markets all around the globe. Some of these movements were organised from the top

down as a means of generating a replacement labour-force on tropical estates as an alternative to now liberated African slaves. The indentured 'coolies' soon found that they were hardly better off than their African predecessors (Tinker 1974); but at the same time a steadily increasing flow of 'passengers' – made up of those who paid their own fares – also began to set off for similar destinations, and in the aftermath of the second World War began to establish themselves in the imperial homeland in ever increasing numbers.

On the face of it the agendas pursued by these labour migrants, as well as the niches which they initially sought to colonise, differ strikingly in character from those pursued by their mercantile predecessors. But before hardening up this categorical distinction, several key factors are worth noting. Firstly the niches into which free labour migrants (as opposed to their indentured counterparts) managed to insert themselves steadily widened wherever they settled, and despite their largely peasant roots, soon proved to be hardly less successful business entrepreneurs than their counterparts and predecessors of were already merchants and traders by background. Secondly, and just as significantly, once members of the locally born second generation began to emerge from local educational systems (and most especially those in the metropolis) all such distinctions rapidly began to evaporate in the face of widespread moves into all manner of professional occupations.

Such developments should come as no surprise. The strategies deployed by those punching their way upward 'from below' is of necessity determined on the one hand by the character and quality of the cultural capital available to them, and on the other by the character of the more-or-less empty niches overseas which members of their entrepreneurial network manage firstly to identify, and then to progressively colonise. Moreover this process is anything but static as more and more vacant niches are identified, network members play leap-frog over each other as they set about to gaining access to them. However this is not to suggest that such tactical convergence has led to the disappearance of the disjunctions between networks with differing roots. Far from it: since the patterns of reciprocity remained firmly network-based, and since their parochial character was further reinforced by endogamous marriages within each of them, alliances between parallel networks have been slow to develop, with the result that the majority of South Asian transnational networks remain remarkably caste and *biraderi* specific to this day. As a result the adaptive routes and entrepreneurial strategies characteristically adopted by members of networks with similar regional roots – such as the

Gujarati Hindus, the Punjabis, the Potoharis, the Sylhetis and the Ismaelis – also remain broadly similar in each case.

How can such differentials best be explained? One popular approach is to rely on self-serving and hugely generalised stereotypes, to the effect, for example, that Gujaratis are inherently 'business-minded', while Punjabis and Pathans are 'militaristic', whilst the Sylhetis have a unique commitment to cookery. Such tautologies obscure far more than they illuminate. If, however, one takes explicit cognisance of the localised features of cultural capital on which migrants from each region were able to draw, and also factors in the equally specific historical and environmental contingencies with which members of each network found themselves confronted, much more meaningful explanations of these patterns of diversity begin to emerge (Ballard 2003, 1983).

Kinship, Marriage and Network Construction

It goes without saying that trans-local networker do not set off across level playing fields. For some the going is exceedingly tough, and for others for others it is relatively easy: but even for the latter the going may suddenly cut up rough with no significant warning. Given the immense range and constantly changing patterns of external contingency which those engaged in such exercises find themselves faced, identifying just which kinds of network meet these challenges most effectively is a far from straightforward task.

Nevertheless there are good grounds for suggesting that there is one form of kinship organisation which provides a particularly effective foundation for long-distance networking: those which are grounded in communities in which patrilineally extended corporate familial households form the basic building block of the local social order, and where these households are themselves interconnected by a wider (but somewhat less intense) web of reciprocities within and between unilineal descent groups. Kessinger (1978) provides a classic example of such a situation amongst Punjabi Sikhs, whilst Watson (1975) provides a similar account of developments amongst Chinese emigrants from Hong-Kong's New Territories. However this has in no way precluded members of communities whose households were less strongly corporate in character, and where descent groups are far less well developed from becoming transnationally active, a similar study of emigrants from rural Sylhet (Gardner 1995) serves to demonstrate. However this difference had a far-reaching

impact on the speed, efficiency and success with which they went on to construct their respective global networks.

But whilst strong ties of reciprocity as between members of patrilineal descent groups provided an extremely effective framework around which to build translocal networks during the pioneering (and hence usually all-male) phases of expansion, fully fledged ethnic colonies² – as opposed to mere outposts – could never be maintained on an all-male basis. As the provision of institutional stability a matter of ever greater priority, migrants began to view ties of marriage as no less of a crucial resource than those of descent. There were two main reasons for this. Once migrants brought their wives overseas to join them – instead of taking periodic furloughs back to their home base – fully fledged households began to emerge at their destination. But whilst family reunion consequently brought overseas colonies to life as never before, in no way did this necessarily undermine translocal connections: on the contrary they were invariably reinforced, always provided that channels of communication remained open. Not only were connections doubled up, since wives invariably remained in contact with their natal kin, but the birth of children opened up the possibility of developing further strategic translocal ties once offspring reached marriageable age.

At the outset strategic alliances were primarily utilised as a means of maintaining bilateral ties between the residents in each colony and their home base. But once networks expanded to include a multiplicity of colonies, marriage could be used to construct strategic ties between colonies, hence yet further reinforcing its solidarity. Indeed in those communities in which inter-colony linkages became particularly intense – as for example amongst the Khoja and Bohra Ismaili Muslims whose original home-base was in Karachi – their scale of these inter-colony became so great that whole community began to move ‘offshore’ as its centre of gravity moved from the West coast of India to East coast of Africa, and thence to the west coast of North America.

These developments were further conditioned by an issue which is often overlooked: the variations in the marriage rules deployed within each such community. Amongst the Hindus, Sikhs and Jains of northern India, and amongst some Muslim groups who converted from the

Hindu tradition in the relatively recent past, these marriage rules not only require endogamy within the caste, but proscribe marriages with members of one’s own patrilineal descent group, and very often from members of one’s mother’s and one’s mother’s mother’s descent group as well. When such rules of *gotra* exogamy are in force marriages into all families with whom one has a prior classificatory kinship connection are proscribed. As a result all new *riste*³ have to be negotiated from scratch, and are significantly translocal, in the sense that brides are routinely recruited from villages lying some distance away from those in which their husbands and in-laws reside.

Marriage rules in most Muslim communities could hardly be more different. Ultimately grounded in by the prescriptions set out in Leviticus, marriage rules are closely conjoined with the rules of incest. Hence whilst sexual relationships with kinsfolk with whom one is directly related by blood are absolutely forbidden, marriages between cousins are not only permissible, but actively encouraged.⁴ Indeed in many communities in northern Pakistan over 50% of marriages take place between first cousins. In such communities most marriages are anything but trans-local: indeed they frequently take place with the girl next door.

Whilst these rules have in no way inhibited the construction of transnational networks by members of these communities, they have had a very significant impact on the way in which their networks have developed over time (Ballard 2008, Charsley 2007, Shaw 2000). Unlike their Hindu and Sikh counterparts, who fairly quickly switched arranging inter-colony unions once they were settled in offshore diasporas, many Muslim parents found themselves under intense pressure to arrange their children’s marriages with the offspring of their siblings back home. As a result off-shore (as opposed to back-home) unions have so far remained much less frequent within such communities – a further knock-on effect on patterns of adaptation and upward mobility (Ballard 1990, 2003a, 2003b).

² Given the distinction between networks emanating ‘from below’ as opposed to those descending from above (Smith and Guarnizo 1998) I can see no reason to reserve the term ‘colonist’ solely to those operating from above

³ It is not without significance that the term *rista* has a dual meaning: both marriage and a relationship, not just between spouses, but also as between the corporate families to which they are affiliated. Hence a successful *rista* establishes a relationship in both senses.

⁴ Although their marriage rules are not derived from Levitical specifications, the Parsees also have no objection to marriages between cousins.

Last but not least it is also worth noting that strategic marriage alliances are by no means necessarily driven solely by parental preferences. As Raj records in her study of Punjabi Hindu families currently based in London, but whose ancestral origins lie in the Potohar and Sarhad regions of what is now Pakistan, long-established patterns of endogamy are still followed almost as strongly as ever. However it is now the youngsters as much as the elders who lead the search for suitable spouses, frequently through specialist on-line matrimonial sites with a global span. As she notes:

The transnational nature of these advertisements is also apparent in their reference to origins (from Africa), to workplace (working for a US. company in the United Kingdom), and to choice of potential spouse (United Kingdom or United States). It is also relevant that this might implicate how they wish their culture to be perceived, and indeed how they perceive themselves as variously Indian, multicultural (Punjabi/West), Indian (Punjabi), and Punjabi. (Raj 2002: 105 ff)

What is abundantly clear from her analysis is that the HPs, as they often describe themselves, now form a necessarily off-shore community, since their homeland in what is now Pakistan has been inaccessible for half a century. But despite never having set eyes on their homeland, the vast majority of HPs remain acutely aware of their distinctiveness, for reasons which are clearly as strategic as they are sentimental. As Raj demonstrates their marriage preferences are significantly grounded in an acute awareness that carefully chosen *riste* can facilitate further movements upwards and outwards – not least to the United States. Not that this is anything new. In pre-British days the Khatris of Punjab maintained trading networks stretched up through the Khyber Pass, across the Hindu Kush and into central Asia. The ethnic cleansing of West Punjab was a wholly unexpected contingency, in the face of which their networking capabilities saved the day. Networking may have been an ancient art, but it has also proved to be equally adaptive to contemporary conditions, not least for highly educated and professionally well-qualified members of this community.

Indentured labourers

The significance of kinship in the construction and maintenance of translocal networks is further underlined – albeit in negative terms – in the case of those who left the shores of the subcontinent on a less than voluntary basis: the indentured labourers recruited to work on tropical plantations in British colonial possessions such as Mauritius, South Africa, Guyana, Trinidad and Fiji. In sharp contrast to the fare-paying passengers, such ‘coolies’ were stripped of almost all their autonomy in the course of being recruited, transported and set to work according to the priorities of those to whom they had indentured themselves; only when

they managed to unbind themselves from the terms of their indentures – which frequently did not occur until ten years – and sometimes much longer – after their arrival did they find themselves in a position where they could set their own agendas. But by the time that this occurred their resources of cultural capital had been severely disrupted.

Hence whilst the heirs of the indentured labourers went on to construct their own ethnic colonies, their character was and remains highly distinctive. Although their members’ lifestyles undoubtedly owe a great deal to their subcontinental heritage, they have also become heavily creolised: the tight-knit networks of translocally extended kinship reciprocity which are such a salient element of the social architecture of the colonies constructed by their ‘passenger’ counterparts were largely destroyed by the indignities of indenture.

Big Business

Whilst they have long salient been a salient feature of economic activity within the subcontinent, a series of formally constituted Indian-rooted transnational enterprises have leapt into positions in the global prominence during the course of the last two decades. Whilst Ispat Steel, Tata Enterprises and Reliance Industries have not yet have grown to match operations such as Shell, General Motors or BHP Billiton in scale, they are nevertheless they are immediately recognisable as multi-national corporations – almost all of which have hitherto had Euro-American roots – of the kind which currently dominate global commercial activity. Their appearance raises an immediate question: how far have these developments been grounded in strategic initiatives which are similar in kind to those with which we are concerned here?

Some parallels are immediately apparent, not least because the communities from which the great majority of these initiatives have emerged (Marwari, Parsee and Gujarati Bania in the cases cited) were precisely those with a long history trans-local commercial activity. Moreover if following well-worn paths, albeit much vaster scale than ever before, the entrepreneurs who drove these enterprises forward made extensive use of kin and community-based network of reciprocity during their early phases of expansion. However all such enterprises eventually find that once they reach a certain scale, it becomes commercially counter-productive to continue to recruit and promote on this basis: when the chips are down merit must ultimately be allowed to out-trump prior connectedness. Nevertheless networking

has by no means been abandoned in these businesses. Not only are their innermost cores still invariably ordered on a familial basis, but their global recruitment strategies are such that the vast majority of those who fill managerial and executive positions – no less in overseas locations than in the subcontinent itself – are professionals of South Asian descent.

This is a much easier strategy to implement than it once was. The Indian educational system – often supplemented by post-graduate studies in the US or Australia – now produces a plethora of well-educated professionals; so does the overseas diaspora. Merit is consequently a relatively plentiful commodity. Nevertheless there are good reasons to believe that there is a set of factors at work here: namely that the patterns of mutual interaction which the staff of such enterprises are expected to maintain a much greater sense of mutual reciprocity, as well of hierarchy, as between one another than would be the case in any Euro-American multinational corporation. If I am right in thinking that the behaviours associated with South Asian conventions of quasi-kinship continue to be deployed in the managerial and executive structures of their counterparts emerging from below, this may well go a long way towards explaining the source of the competitive advantage which has been a key to their commercial success.

This argument can of course be played the other way round. If one the key features of the organisational success of such corporations has been their capacity to facilitate the circulation of goods, credit, capital, manpower and profits to the institutional network's collective advantage, they are simply replicating the set of features which Markovits identifies as having been a long-standing characteristic of merchant networks operating in and around the Indian Ocean. This serves yet further to underscore a point which has been implicit in the discussion so far: that all such networks, whether they operate trans-locally or trans-jurisdictionally, hegemonically 'from above' or transgressively 'from below', and no matter whether the context is historical or contemporary, all have thrived on the on the basis of their pursuit of precisely the same set of multifaceted transjurisdictional circulatory strategies.

The impact of the post-colonial world order

But if there is nothing new about the structural character of such operations, the context within which they operate has recently changed dramatically, and not just in terms of radical advances in communications technology. Following the collapse of all the worlds' empires –

of which Russia's was the last to fall – there has been an explosion in the number of nation states, all of whom fiercely guard their jurisdictional autonomy. Hence in a striking paradox, the most recent phase of globalisation has also been accompanied by a startling increase in the number of national jurisdictions – so opening up an unprecedentedly wide set of opportunities for transjurisdictional arbitrage. This has led to all manner of further transformations in the character of the global order.

As Beck has perspicaciously noted, one of the most salient features of this new order is the way in which it has enabled transnational corporations to gain access to what he describes as a 'translegal' arena, in which business can be conducted on an unregulated extra-jurisdictional basis without contravening any laws, and hence beyond the reach of any specific parliament or government. As he puts it:

Translegal means *transnational* meta-power, inasmuch as the latter reflects and systematically exploits the cooperative advantages and hidden niches of different national legal systems for purposes of expanding global business power (Beck 2006: 72).

It is of course the over-exuberance of financial engineers seeking to make the most of the perceived opportunities for exercising meta-power – in which access to all manner of exotic 'national' jurisdictions such as the Cayman Islands and the Cook Islands has played, and continues to play, a prominent part – which has been largely responsible for the near collapse of the Euro-American investment banking system.

But whilst Beck deploys his arguments with the activities formally constituted transjurisdictional corporations operating hegemonically from above, it is worth noting that all manner of other translocal networks have simultaneously begun to begun to exploit similar opportunities to engage in trans-jurisdictional arbitrage. Nevertheless there are a series of very obvious differences between the two, most obviously in terms of scale. Hence the size of the transjurisdictional value transfers facilitated by networks operating from above hugely out shadows those achieved by those operating from below, the beneficiaries of the former set of transfers are largely concentrated in the global North, and most especially in a super-prosperous elite, while the beneficiaries of those operating from below are hugely more numerous, and overwhelmingly drawn from the global South.

Beyond this there is one vital difference between the two. Networks operating from above are still for the most part viewed approbation, despite the current financial crisis which has been precipitated by their efforts to take advantage of transjurisdictional freedom; by contrast the parallel initiatives which have recently emerged with such vigour ‘from below’, are commonly viewed from a quite different perspective. Such networks – and especially those constructed by and on behalf of migrant workers – have come to be viewed with ever-increasing alarm, most especially by those who view themselves as representatives of the ‘international community’; indeed as we have seen ever more elaborate regulatory sieves are currently being constructed to curb their transjurisdictional initiatives. Hence even though networks operating hegemonically from above manifestly serve to concentrate financial meta-power, whilst those operating from below are transgressive in character, and hence serve to re-distribute meta-power in the opposite direction, the trans-legal initiatives of the former are regarded as broadly licit in character, whilst those of the latter are not only widely adjudged to be illicit, but are currently subject to ever more vigorous attempts to render them criminal.

At one level this should come as no surprise: it is political interests, rather than any kind of concern for equity and justice, which are the primary driving forces in this arena in the contemporary world. Nevertheless the dynamics of these political processes, and consequently the basis on which these manifestly inequitable outcomes have been legitimated deserves careful inspection. In these circumstances it is worth considering just how it is that in the midst of a global order nominally committed to the ideology free trade through the good offices of the World Trade Organisation, efforts to repulse transjurisdictional initiatives ‘from below’ are nevertheless being pursued with such active – and above all with such *legal* – success?

Formal and Informal Networks in the Post 9/11 Global Order

As we have seen the objectives of the two sets of networks are remarkably similar: to stretch their tentacles into whatever niches in the global economy network members have the skills and resources to exploit, to the collective material benefit of those involved. How then, can nominally non-discriminatory legal structures be developed in such a way to promote – or at least to turn a blind eye – to the activities of the former, whilst providing a legitimate means of curbing and/or criminalising the latter?

The solution to that conundrum is that has recently begun to crystallise is most illuminating. Predictably enough it is one which largely overlooks the operational function of such initiatives – to facilitate the circulation of capital, goods and personnel across national boundaries with the minimal level of interference from state authorities. Instead the focus is on the structural character of the networks through which these initiatives are implemented. So it is that whilst the activities of those networks which take the form of formally constituted corporations are routinely regarded as *ipso facto* legitimate, and continue to be so regarded despite the endlessly contorted structures they devise in order to be able to operate in transjurisdictional, and hence extra-legal space, those networks which are not legally incorporated from end to end, and instead rely on informal relationships of trust and mutual reciprocity as a basis for their internal system security, are allowed no such privileges. On the grounds that non-incorporated networks ‘shadowy’, ‘underground’ and ‘unaccountable’, jurisdictions all around the globe have been persuaded to identify such networks as extra-legal, and hence potentially if not actively criminal in character.

Just how has this curious hall of mirrors been constructed? The circumstances in which the USA PATRIOT Act (whose full title is *Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism*) was passed provide a convenient starting point for such an analysis. The Act the act enjoyed an exceptionally speedy passage through Congress, such that it was passed into law less than two months of the collapse of the twin towers on a wave of anti-Al Qaida patriotism. However its contents were no sense a knee-jerk reaction to the events of 9/11. Most of the many elements packed into this huge piece and potentially controversial piece of legislation had been ready on the shelf for some time beforehand, and the sudden intensification of demands for a greater degree of Homeland Security provided a heaven-sent opportunity to pass it into law without significant opposition.

The immediate objectives of the Act were two-fold: firstly to greatly increase the powers of the US authorities to subject the private affairs of its own citizens to unprecedented levels of covert surveillance, but also to extend their reach to include all those whose activities might impact on the interests and concerns of the United States anywhere in world; and secondly to introduce an equally draconian level of restrictions, backed up by criminal sanctions, on all

those engaged in transjurisdictional activities which might threaten the security of the United States in any part of the globe. Three of its sections were of particular significance with respect to the pursuit of those objectives.

The most significant innovation set out in the International Money Laundering Abatement and Financial Anti-Terrorism component of the Act was the introduction of a swathe of ‘know your customer’ regulations which required all banks – not just those operating within the United States, but also overseas banks who maintained correspondent accounts with US banks – to record, and where necessary to make available to the authorities, the personal details of all their customers if they wished to continue to have access to the US money market. Given the role of the US dollar as the global medium exchange, it followed that all financial institutions participating in the transjurisdictional global banking system were required to follow the prescriptions of the Patriot Act, and hence to place themselves in a position where they could provide US regulators with details of the originator and the ultimate beneficiary of all the cross-jurisdictional value transfers.

The legitimating objective of this new global regulatory structure was straightforward: to lay bare the financial sinews which underpinned an emergent global threat: drugs smuggling and terrorism, implemented through criminal networks which the US authorities had so far been unable, *pace* 9/11, to penetrate. With this in mind it is worth noting that the new policy sought to remedy this challenge by means of what can be described as a further extension of legitimate/formal trans-jurisdictional networks, such that (legitimate) financial institutions right around the globe would be required to vouch for the credibility and the respectability of all their customers. As a result the ‘bad guys’ – those who could not gain access to such an *imprimatur* – would find themselves excluded from access to legitimate trans-jurisdictional financial networks.

A further section of the Act, headed Border Security, focused on people rather than money. It aimed to subject all those entering the United States from foreign jurisdictions to much closer scrutiny, amongst other things through the construction of comprehensive data-banks of the history and personal characteristics of all those crossing, or seeking to cross its borders. Just as in the financial sphere, many European jurisdictions have since introduced parallel initiatives. But just as with the financial sections of the Patriot Act, these initiatives have

offered substantial opportunities for mission creep. Only a minor sleight of hand was required to re-jig provisions which were nominally designed to target invisible gangs of criminals and terrorists to focus on a much more visible surrogate: the informal networks deployed by migrant workers in general, and those of Muslim origin in particular, to find their way through and around the jurisdictional sieves which had been designed to exclude them.

It follows that the initiatives unleashed in pursuit of the ‘War on Terror’, together with the parallel ‘War on Drugs’ has provided a convenient smokescreen behind which to legitimate a further development: a further reinforcement of sieve-like border controls which aim to curb the freedom of all those whose transjurisdictional activities threaten to undermine the interests, the concerns, and above all the privileges of those on whose behalf these ever more substantial borders have been constructed. But this is all taking place within the context of an increasingly globalised world. Hence the sieves must be constructed in such a way as to provide no significant obstacles to the passage of those who are wealthy enough, well-qualified enough to pass muster, whilst systematically excluding all others.

But just what was being secured behind these borders? Speaking as Secretary of Defense, Donald Rumsfeld spelt out both his concerns and his preferred response when he announced that:

Our strength as a nation state will continue to be challenged by those who employ a strategy of the weak using international fora, judicial processes, and terrorism. We have learned that an unrivalled capacity to respond to traditional challenges is no longer sufficient. Battlefield success is only one element of our long-term, multi-faceted campaign against terrorism. Non-military components of this campaign include strategic communications, law enforcement operations, and economic sanctions [my italics] (United States National Defense Strategy, 2005).

One of the most remarkable features of Rumsfeld’s argument is that he – or at least his advisors – may have been reading some anthropology. His suggestion that terrorists have begun utilise underhand strategies which he identifies as underhand ‘weapons of the weak’ is quite remarkable, since his terminology appears to be derived from the well-known exploration of that very phenomenon by James Scott (1985). But if this is indeed the case, Rumsfeld’s (mis)reading of Scott’s arguments is most illuminating, since it disregards the core of Scott’s thesis: that the arts of resistance are the outcome of dialectic processes, and hence can only be properly appreciated when understood as counter-hegemonic responses to the experience of domination (Scott 1990). Hence whilst Scott would readily agree that all

such strategies are inherently subversive – and for the most part justifiably so. A further key point in his analysis of the effectiveness of such strategies of resistance is their inherent *alterity*: it is the capacity of such transgressors to think and act ‘outside the box’ by standing the established premises of the local hegemony on their heads, thereby enabling them to make particularly effective use of the resources of their own self-generated of cultural capital.

Whose interests? Who’s preferred *modus operandi*? Whose law?

But just what does ‘legitimacy’ mean in contexts such as this? If one of the privileges which hegemony invariably arrogate to themselves is the opportunity to lay down the law to their own advantage, it should come as no surprise that one of the most immediate objectives of challengers from below is to undermine, and ultimately to discredit, those claims to legitimacy. Likewise the further into a corner they find themselves pushed, the more urgent steps hegemony routinely take to discredit their challengers. Donald Rumsfeld’s edicts are plainly part of that dialectic, in which he already had form. Long before he set out the arguments set out above he had taken his cue from the Patriot Act’s section on Law and Terrorism to identify all who put up armed guerrilla resistance to US military interventions in Afghanistan as ‘illegitimate combatants’.

When asymmetric conflicts break out – whether military, economic, cultural, racial, ethnic or gendered contexts – those whose privileges are being challenged invariably reach for the moral high ground to argue that their challengers are ‘breaking the rules’, such that their actions are illegitimate at best, and criminal at worst. If contemporary processes of globalisation have both precipitated and exacerbated all manner of asymmetric contradictions, those with which this chapter – and indeed this whole volume – is concerned are the outcome of two recent, but ever more pressing developments. Firstly the imminent demise of position of unchallenged industrial, economic, financial and military hegemony which Euro-America has enjoyed for the past two centuries. Secondly the equally unexpected causal source of that state of affairs: the competitive advantages which have so frequently accrued to of all manner of ‘outside the box’ strategies emerging from below, topped off, most recently of all, by the virtual collapse of the Euro-American financial system as its debt-strewn house of cards fell apart.

In quoting Scott, Donald Rumsfeld appears entirely to have overlooked the careful irony in his formulation: after all Scott is talking about *weapons*, even if they appear at first sight to be blunt instruments deployed by those whom the established hegemony routinely dismiss as ‘the weak’. However for all those with an iota of historical consciousness any assumption that one’s own chosen path must of necessity run directly and inevitably to the best possible future is a sure recipe for nemesis. Whatever dreams Ozimandias may once have had, those over whom he exercised power were not fated to remain in that position for ever after. On the contrary the alteric weapons of the powerless become all the more effective when their hegemony are so locked up in a condition of self-confident hubris that they fail to appreciate just how comprehensively those whom they have long despised have excavated the ground beneath their feet.

With such considerations in mind it may well be the case that the global order has reached just such a tipping point. The current credit crunch is much more than a product of ‘irrational exuberance’: rather it has been the outcome of a belated realisation that elaborate derivative contracts grounded in arcane mathematical calculations could be used to construct a contractually grounded a ‘shadow economy’ many times greater than the real thing could provide a better and more profitable means of managing debt and risk was in fact profoundly mistaken. Now the house of cards has collapsed with still unimaginable consequences, all the major financial players have found themselves stark naked: despite all their legal contracts, the market has frozen up, since no-one dares to trust anyone else. The system of legally and contractually founded financial governance which the Patriot Act sought to export on a global basis has turned out not to be fit for purpose.

But what has been the fate of the ‘underground’ financial networks which the Patriot Act sought to criminalise? In the aftermath of the passage of the Act those who found themselves most vulnerable to being charged with ‘currency crimes’ were operators in the IVTS/Hawala sector who had utilised networks of reciprocity to construct a multi-billion dollar industry through which to transfer remittances of millions of migrant workers who had established themselves in the prosperous North to their kinsfolk in the impoverished South by providing a service which was cheaper, swifter, more convenient and just as reliable as that on offer through formally constituted banks (Ballard 2005, 2006). However neither the US nor the UK authorities were much interested in these of this kind. Taking their cue from new

dispensation, they insisted – with little or no evidence to support their thesis – that the primary function of these networks was to enable terrorists, drugs and people-smugglers criminals could launder their ill-gotten gains. From this perspective the anti-money laundering provisions of the Patriot Act have met with considerable success, in the sense that they have provided the authorities in both the USA and the UK to prosecute local agents of IVTS/Hawala systems as ‘money-launderers’, who have been heavily fined, as well as being given lengthy prison sentences. However these much publicised ‘achievements’ have in fact been far more symbolic than real. There is no evidence that these initiatives have enabled the authorities to track down and prosecute many criminals or terrorists (Passas 2008). Nor that they have significantly crippled the capacity of South Asian transnational networks to facilitate global financial transfers: they have simply shifted their logistical headquarters offshore to Dubai.

Conclusion: Trans-jurisdictional networks and economic development

All the massive financial transfers which contemporary trans-jurisdictional networks are intrinsically redistributive in character. Whilst emanating from above invariably serve to concentrate wealth in the hands of the already privileged, whilst those emanating from below have precisely the opposite effect. Hence as Skeldon (1997: 205) concluded notes with the latter kind of initiatives in mind (and and at a time when the volume of value transfers was very much smaller than it is today) that ‘migration *is* development’.

Nevertheless it also goes without saying that all such evaluations must be contextual understood. Hence whilst the value transfers implemented through the networks constructed by labour migrants are redistributive from North to South in global terms, their arrival in migrants’ home villages tends to have precisely the opposite effect: they regularly precipitate a *concentration* of wealth in the hands of the immediate recipients (Gardner 1995), thereby opening up new forms of inequality in the immediate locality. Indeed I suspect that it was in the light of precisely such considerations that DFID officials remained comprehensively disinterested in my suggestions that they should make an effort to stimulate the stagnant local economy in capital-rich Mirpur District, from where close to half of all Pakistani migrant workers in Britain have been drawn. Mirpur, they argued, was not-poor in a wider Pakistani

context (Ballard 2003b: 74); hence such an initiative in Mirpur would not be congruent with their pro-poor agenda. Whilst the logic of their argument was impeccable, it nevertheless opens a barnful of questions as to how, if at all, the impact of the huge inflows of liquidity generated by migrant remittances can be integrated into currently conventional models of economic development.

Similarly challenging questions can be asked about almost every dimension of trans-jurisdictional activity ‘from below’. As such networks have grown to be a steadily more salient feature of the global order during the course of the past half century, they have begun to reverse the concentration of wealth and power in Euro-American hands which took place during the course of the two previous centuries. Those processes have taken many forms. In addition to the spectacular success of businessmen such as Lakshmi Mittal and Kiichiro Toyoda, millions of more low-level entrepreneurs have utilised the resources of their self-constructed networks to penetrate distant labour markets all around the globe. To be sure they were initially poorly paid, at least from a Euro-American perspective. Nevertheless by dint of high levels of frugality and an immense amount of hard work, further reinforced by the educational achievements of their children, the progress they have achieved can only be described as spectacular. In addition to the substantial assets which they now control at their overseas destinations, total their value of their remittances now greatly exceeds the scale of North-South transfers delivered as formal development aid (Maimbo and Ratha 2005). Better still such transfers incur no external debt, and arrive with none of the usual strings attached.

However value transfers which now total in excess of \$500 billion per annum attract all sorts of suspicious and greedy eyes, no less from Finance Ministries throughout the developing world than in the US Treasury and the Department of Homeland Security. But just who has rights in such trans-jurisdictionally acquired treasure? What state agencies, if any, have a right to regulate its transfer, to tax it, to direct its investment, or to securitize the inflow to raise loans on the global money markets? How much, in other words, should these transgressors of the established order be allowed to get away with? Should they be placed in the same category as kleptocrats such as Mobutu and Suharto – or indeed the former masters of the banking universe who whose exercises in financial engineering have brought the Euro-

American financial system to its knees? Or are they pioneers of an imminent process of global role-reversal?

The legal questions thereby opened up are legion. Should all exercises in transjurisdictional arbitrage be deemed illegitimate? Or is that merely putting the cart before the horse, since it is precisely the construction of border controls which renders the smuggling of goods (and now of people) across them such a profitable activity? Can 'money laundering' and 'people smuggling' be effectively countered by an ever more elaborate system of passports, tagging, and sieving, all backed up by systems of formal regulation? Or is it the case that the current Euro-American condition of financial distemper has arisen from an unfettered commitment to competitive liberal individualism, and a consequent lack of viable conceptual and organisational foundations upon which to construct the kind of robust and reliable coalitions of reciprocity on which so many of their challengers from below have relied? Has Euro-America recently forgotten far more than it has learned? Taking his cue from no less a figure than Adam Smith, Amartya Sen was recently moved to observe

Even though people seek trade because of self-interest (as Smith famously put it, in explaining why bakers, brewers, butchers, and consumers seek trade), *an economy can operate effectively only on the basis of trust among different parties*. When business activities, including those of banks and other financial institutions, generate the confidence that they can and will do the things they pledge, then relations among lenders and borrowers can go smoothly in a mutually supportive way. As Adam Smith wrote:

When the people of any particular country have such confidence in the fortune, probity, and prudence of a particular banker, as to believe that he is always ready to pay upon demand such of his promissory notes as are likely to be at any time presented to him; those notes come to have the same currency as gold and silver money, from the confidence that such money can at any time be had for them (Smith, I, I.viii.26, p. 91).

Smith explained why sometimes this did not happen, and he would not have found anything particularly puzzling, I would suggest, in the difficulties faced today by businesses and banks thanks to the widespread fear and mistrust that is keeping credit markets frozen and preventing a coordinated expansion of credit.

The most immediate failure of the market mechanism lies in the things that the market leaves *undone*. (Sen 2009)

Even today, the premises in terms of which the great majority of contemporary networks 'from below' ordered themselves remain deeply unfashionable. Far from appreciating the extent to which that their successful maintenance of coalitions of reciprocity provides a

robust foundation for systemic security, Euro-American observers point to their routinely point to their disregard for formal lawyer-scrutinised contracts, together with their perverse reliance on informal understandings as evidence that such agreements are *ipso facto* of doubtful legitimacy. From here it is but a short step to the conclusion that networks built on such foundations are shadowy edifices beyond regulatory control, and which are best eliminated (or rather forced to conform to the requirements of the formal sector) by the threat of criminal sanctions – even though the formal sector is currently close to systemic failure. This would appear to be a somewhat short-sighted perspective. Could it be that there is much that Euro-America could usefully learn from the way in which their non-European competitors have successfully deployed informal strategies of reciprocity construction to maintain robust, but nominally less than licit, coalitions of translocal and transjurisdictional trust? If so, it follows that the current pattern of global contradictions is no less moral and conceptual than economic and material in character.

Not that such a state of affairs is in any way novel. But as the ancient Greeks were well aware, anyone unwise enough to assume that their own preferred premises and practices were by definition infinitely superior to those of all others could only expect to attract the unwelcome attention of Nemesis.

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