

philippine studies

Ateneo de Manila University • Loyola Heights, Quezon City • 1108 Philippines

Artisans and Entrepreneurs, by Rutten

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Philippine Studies vol. 42, no. 1 (1994): 124–128

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Fri June 27 13:30:20 2008

Book Reviews and Notes



Artisans and Entrepreneurs in the Rural Philippines. Making a Living and Gaining Wealth in Two Commercialized Crafts. By Rosanne Rutten. CASA Monograph #2. Amsterdam: VU University Press, 1990. 262 pages.

While most visitors to the Philippines have been tempted to buy local manufactures or craftwork, few people give much thought to the origin of such wares and the history of handicraft that lay behind them. Rosanne Rutten, however, documents in rich detail such history and factors, and exposes what many visitors take for granted as "charming," "exotic," and "Oriental" to be really the result of sweat and exploitation.

Her study approaches change in the rural Philippines by focusing on rural artisans and entrepreneurs who attempt to make a living on the basis of craft production as a main occupation vis-à-vis agricultural cultivation. She argues that Philippine villagers are no longer chiefly cultivators; the incidence of having little or no land has increased due to population growth, land fragmentation, and the commercialization of local economies, and therefore, the dependence on rural wage-employment and nonfarm work has grown.

Rutten argues that these people take up craft production as home producers, putting out workers or laborers in workshops more and more as a major activity, although they still remain in part dependent on agriculture. The author points out, however, that the majority of such workers are not the traditional village artisans who produce utility goods for their fellow villagers and whose crafts are gradually undermined by machine-made products, which the term "handicraft" often evokes. Nor are they, like so many Filipinos, engaged in simply one or more "sidelines" (occupational multiplicity or plurality). Rather, they are working at commercialized craft for the domestic or export giftware market, and are incorporated into a complex trade network controlled by merchant entrepreneurs. As such, these craft workers can no longer be categorized as "analytically marginal groups" (Shanin 1973).

The author's intensive fifteen-month field research, supported by numerous tables, examines the experiences of women and men engaged in weav-

ing plaited hats, sleeping mats and placemats in one municipality of Panay and one in Albay Province. She concentrates on these particular areas as examples, because they reflect the densely populated smallholder areas of the Philippines where agriculture is inadequate to sustain a decent livelihood. In these and other areas, craft production is central to the rural poor's struggle for subsistence, pitted against a background of change in rural commercialization and growing landlessness.

Rutten also argues that the handicraft entrepreneurs who attempt to accumulate wealth on the basis of craft production are part of a new rural merchant elite.

Tracing the history of craftwork from early Spanish times, Rutten documents the relations between entrepreneurs and artisans as having changed as handicrafts became commercialised. The account situates craft production and trade in village settings, contributing a new dimension to our understanding of contemporary rural conditions in the Philippines, highlighting the importance of nonfarm work in the lives of an estimated one million people in the country who depend on crafts. Thus, despite being a book on a particular industry, it also reflects generally the life, skill, enterprising activity, diversity and richness of Philippine life and culture.

One immediate consequence of Rutten's approach is the attention given to women's work in peasant societies vis-à-vis the work sphere of males. For it is women who have commonly held an important role in rural crafts, who have a long tradition of business activity, and who have been the controllers of household and enterprise finances.

A wider contextual issue examined by the author is that of State policies and how the handicraft industry is affected by such policies, which in turn are influenced by world market conditions and development programs. She shows how producers, traders and consumers are linked to national and world market systems, affected by State policies regarding agriculture, new rice technologies, the promotion of export-oriented handicrafts, and import-substitution policies.

Much past research has focused on development in and commercialization of agriculture and the integration of rural households into wider markets, with the effect of marginalizing villagers' access to land, capital and agricultural employment. Rutten, however, focuses more on the importance of employment and income outside agriculture in the process of agrarian change. This process of change does not present handicraft as a last remnant of independent peasant existence, but rather, following Chayanov, enables (forces?) cultivators with little land to survive as cultivators, and in some cases, may offer land-poor villagers a source of additional income and a basis of socioeconomic mobility.

The author generally rejects the unilinear development model which analyzes changes in rural industry in terms of part-time home production by independent producers to full-time centralized production by wage la-

borers. Instead, she argues that simple commodity production, organization by merchants and semi-mechanized workshops constitute variable responses to current realities. Such an approach does justice to the complex interrelation between artisans and entrepreneurs, and between household economies and wider economic systems in the production and trade process. This relation has a social content which is highlighted by the personalized form of commercial relationships examined by the author.

The book also does not neglect handicraft traders and entrepreneurs of whom so far little is known. Many are village- or town-based, accumulate wealth on the basis of the craft trade, and invest in a variety of other rural ventures, becoming one of the driving forces behind the ongoing commercialisation of the local economies.

The introductory chapter gives an overview of the study, followed in Chapter 2 by a history of rural crafts in the Philippines. Chapter 3 describes the rural setting of the hat- and mat-weavers in Panay, and Chapter 4 the organization of that handicraft. Chapter 5 emphasizes the importance of crafts for landless and cultivator households in terms of subsistence, security and livelihood improvement; while Chapter 6 examines the personalized relations between artisans and traders as well as focusing on traders themselves and the brief period in which weavers were drawn into the world market. The export period in which the weavers enjoyed a higher labor pay and a higher bargaining power in relation to traders is the subject of Chapter 7. This is further elaborated in Chapter 8, in which it is argued that the increase in the number of landless and their decreased bargaining power (i.e., proletarianization) vis-à-vis cultivators is not paralleled by a similar development in crafts—in Panay at least. Chapter 9 shifts to Albay and presents a contrasting case of putting out workers and entrepreneurs in export craft production. Chapter 10 discusses the main findings.

In the literature, the market is often considered an enslaving force: the penetration of rural economies by capital results in the extraction of surplus value from the labor of the rural poor and the loss of their subsistence security. Or the market may be viewed as liberating, creating new income opportunities for the rural poor by means of a growing market demand, a liberation from old dependencies.

Some authors stress the exploitative aspect of the activities of entrepreneurs, others emphasize their useful broker function in bringing villagers in contact with distant markets. Keeping these views in mind, Rutten presents both positive and negative aspects of the handicraft industry for the people involved. While she shows how craftwork is important to the daily subsistence of village households and may provide for upward mobility, she also discusses the unequal access to resources and low labor pay.

This raises an important aspect of the study: class differentiation. There is some indication of "proletarianization" in the craft industry, since it depends more on domestic and world markets and since more time is spent

in craft work than agriculture. This feature is highlighted by the author's comparison of Panay to Albay.

But there is a certain ambiguity in the use of the concept "proletarianization." On the one hand, by "proletarianization" Rutten (following Tilly 1981) means an increase in the number of workers dependent on the sale of their labor power to capitalists (p. 89) rather than a concentration of capital or the peasants' loss of control over the means of production (MOP).

On the other hand, Rutten elsewhere (p. 4) implies that "proletarianization" does in fact mean a loss of control over the MOP. But this seems to apply to Albay, or more generally to a situation of credit supply and a move toward putting out.

Thus "proletarianization" is used in two senses, differing according to geographic location and local economic/craft system. Although the two uses of "proletarianization" may not be incompatible, their use is not always clear, fails to provide conceptual unity, and detracts from the author's main argument. To suggest that weavers in Panay are becoming proletarianized—for whatever reason and however defined—implies some notion of "slaves under a straw hat" rather than as petty capitalists or entrepreneurs in their own right.

Overall, the author considers the commercialization of handicraft as an enhancement of the weavers' position, even though one could counter-argue that the growing credit supply discussed is a sign of change toward the putting-out system and hence, through indebtedness, weavers lose control over the MOP—in this sense a first step toward proletarianization. However, the author argues, the intensified credit supply is a sign of the growing bargaining power of weavers which is due to a rise in market demand and competition among traders.

This enhancement of their position is assessed in two ways. First, weavers no longer consider their occupation lowly and shameful as they did when they had to squat on the plaza sidewalk waiting for traders to buy their goods; and second, the expanded credit supply and the relatively cheap and locally available raw materials and implements enable weavers to sell on the open market and to accumulate wealth or remain independent producers, and in some cases become traders/suppliers themselves. Moreover, they continue to depend on their own labor, seldom employing wage labor or becoming wage laborers themselves. In short, commercialization of the weaving craft maintained access to and control over the mop.

Be that as it may, the Panay household study of Chapter 5 suggests that the "role of craftwork for village households is a mixed one" (p. 117). While craftwork provides some reliability in household income, it also does not "offer opportunities for accumulation" (p. 118).

A contrasting case is the expansion of the abaca export craft in Malilipot (Albay) which has given rise to a highly differentiated industry based on wage labor and unequal access to the MOP, where workers are highly de-

pendent on entrepreneurs and are not organized to defend their interests collectively. Nevertheless, production for the world market gives them some leverage: the high demand for labor, deadlines for export orders, competition among exporters and suppliers, and personalized ties between workers and suppliers result in some bargaining power of workers. At least the daily wage of home workers approximates the local agricultural wage rate, an exceptional condition for home workers in crafts.

Another issue the author deals with is the importance of the craft industry for rural development. While craftwork provides vital income to the rural poor and cushions the effects of seasonal underemployment, the income is low, often irregular and insecure. Although it may alleviate conditions of poverty, it does not on the whole solve problems of poverty and need.

A second aspect of rural development is that handicraft provides a broad range of rural entrepreneurs with a surplus for local investment. In this respect, it compares favorably with large-scale capital-intensive industry whose profits are monopolized by large urban corporations. Rural entrepreneurs invest their profits in other rural ventures, contributing to the linkage of the local economy to wider markets and further commercialization of the local economy, possibly opening up other local employment opportunities. But whether this can be regarded as a dynamic force in rural economic development is problematic. The process of self-sustained industrialization depends on local investment policy. The author suggests that these are usually of the rent-capitalist type or consist of further trade, both oriented to the circulation of goods and activities that yield quick returns. Such entrepreneurs have little interest in making long-term plans to improve the production process. While this investment policy is sensible from the viewpoint of entrepreneurs and family interests, and given the limited range of attractive investment opportunities and associated risks, the author concludes that we should not exaggerate the dynamic contribution of crafts as an alternative route to economic development and industrialization.

A final issue that arises from Rutten's study relates to the Scott/Popkin debate. There is an economic rationale in craftwork, so that in the conditions which prevail in the Philippines, a multiplicity of occupations makes sense. Craftwork can be understood in terms of maintaining or raising one's subsistence level. In these terms, despite commercialization of the industry, craftwork by weavers is not "rational" and systematic—not oriented toward profit and reinvestment in a classical, capitalist sense (cf. Chayanov). Similarly, local entrepreneurs fail to defer immediate profits and thereby invest in long-term economic development.

While Rosanne Rutten notes these and other issues (pp. 223–24), her study provides rich material from which further analysis could be launched.

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