



# Andean and western economics: between plenty and scarcity

Constantino Calderón Mendoza and Juan van Kessel

In this article, the philosophy of Andean economics is described and compared to that of western economics. Though the concepts are fundamentally different, both forms of economy play a role in the contemporary life of Andean farmers.

An Andean peasant farmer lost his crops because of hail and frost damage. But at harvest time, helping the other peasant farmers, he harvested as much as those who had been less affected. At the same time, a citizen of Lima was fired from his job. While looking for another job, he had to spend his savings on his living costs, sell off his domestic appliances, and eventually go selling sweets on the buses.

## Plenty or scarcity

In the first case, the Andean farmer, or *runa*, is protected. He recovers from his disastrous situation because he is supported by other members of his community, and by *Pachamama* or Mother Nature herself. In the second case, the man lost his dignity when he lost his job. In the city every person is an individual embedded within the 'economics of scarcity' in which resources are, by definition and in practice, limited.

Today, the people of the Andes are influenced by these two different, if not opposing, logics: the traditional Andean 'economics of the nurturing of life' and the modern 'economics of producing goods and services for the market'. Both have been operating in this region since 1532, when the Spaniards arrived. Since then, the Andean countryside has increasingly suffered from shortages, when in reality its essence is related to the abundance of life: the life of humans, nature and spiritual forces.

## Immense diversity

It seems that at the time of colonisation, the most prosperous native cultures were situated in Central and South America, and not in North America. Since the arrival of Europeans in the Andean region, however, the application of western economics and technology has failed to generate pros-

perity. Meanwhile North America has built up the strongest and most aggressive economic power in the world. What has happened?

Some of the main differences between these two regions are based on their location and climate. Andean South America is situated in the tropics with high mountains and includes a great variety of climates. In fact, 85% of the world's climates can be found in this relatively small area. This is the basis of the immense biodiversity which characterises the Andean small farming system. On the other hand, the USA is situated in a zone with temperate climate and huge areas of plains, which are suited to large-scale production of monocultures.

This may well explain why it has not been possible to achieve success by simply applying *logos*, or western economic logic, in the Andean region. In fact, we think this has generated the opposite: it has enhanced violence in human behaviour in both social and ecological relationships. We believe that if our will is to live in prosperity as a society, we need to re-evaluate the western proposition of the economic development of 'material goods'. We need to differentiate it from our traditional Andean philosophy of 'plenty with sufficiency': the abundance of life with enough for everybody.

## Western economic concepts

The foundations of the economic concepts in western thinking are the 'unlimited needs of the individual', and the 'shortage of resources' to satisfy these needs. The concept of unlimited needs promotes a consumerist attitude in the individual. Secular western man produces goods and services for the market, and pursues the maximisation of profit. He attempts to achieve complete 'freedom' through modern sci-

ence and technology. The western farmer uses his land for maximising his profit. In this process, the land is not considered like 'a Mother' but as an asset or property. Consequently, the basis of western farming is private property and the market - both in the physical and non-physical sense - with its mechanism of demand and supply.

This system has generated large, powerful economic groups, which - especially in less developed countries - have taken control of the political system. This system has also meant, as demonstrated throughout history, that economic growth of 'developed countries' necessarily generates poverty in the so-called 'less developed countries'.

## Nurturers of life

The western businessman or farmer who produces goods for the market is different from the Andean *runa*, or small-scale farmer. The notions of work and human conduct within these two cultures also differ considerably. Contrary to the individual, the *runa* considers himself to be an incomplete being. To successfully be a real 'nurturer of life', solidarity and reciprocity is required: mutual nurturing between *runas*, the gods and the *Pachamama*. In its roots Andean culture is *chacra-centric*: all other activities revolve around the central one of small-scale agriculture.

Before the western invasion, Andean man achieved food security on the basis of this reciprocal relationship with his habitat. It is a symbiotic relationship based on concepts such as: (1) the world as a living and personal entity, (2) conversation and holistic reciprocity, (3) the feeling of *ayllu* - community and relationship, (4) work as celebration of the permanent nurturing of life, and (5) the celebration of life in the

daily ritual of production.

In the Andean world of intense climatic variability, the best way to achieve 'plenty with sufficiency' is to 'converse' with the other beings in the surroundings to understand what they need. This conversation between the runa and the elements around him has its moments of ritual, such as the 'rituals of production' which in daily practice accompany every nurturing task, (see box 1).

### Prosperity or economics?

There are two terms from the indigenous Quechua language which express the daily generation of life in the Andean economy: *kawsay* which means 'to give life', and *uyway* or 'nurture'. These terms are very different from the western economic concepts. This is not to deny that the Andean farmer knows how to work hard on his land, but he does it with respect, after seeking permission from Pachamama, or Mother Earth.

We can now see that the western notion of the market is not universally applicable. Its basic sense of maximising benefits, balancing between those who demand and those who supply, is only valid where there is a culture of the individual. In fact, the terms 'production' and 'market' - in the non-physical sense - do not exist in the Quechua language.

Consequently we cannot simply accept the western economic concepts in the Andean countryside, when we know they have not brought us prosperity. Rather they have resulted in social and ecological conflict, continually widening the gap between rich and poor. This Andean society, which used to live in plenty with sufficiency, does not now deserve to live in poverty. The best option is to recover our own way of being, and to make it thrive.

### Roads and fairs

At the same time, some physical elements indispensable in the modern economy, such as roads and markets or fairs, are embedded in the strategies of the Andean people. Before the conquest there was a network of indigenous routes throughout the Andean territory, to facilitate the direct exchange of products. Along these routes physical marketplaces were established, where commercial fairs took place.

These ancient fairs still operate today. In some places in the Andes these fairs have evolved as big annual conventions, accompanying great pilgrimages of a religious, ritual and festive nature. Well-known examples from Peru are the Fair of *Inkawasi* in

### Box 1 Expressions of an Andean farmer about the relationship between man and the environment.

*"The alpaca is our mother and our sister, who the Pachamama has given us, no more than loaned, and who came from the paqarinas (the high Andean springs). We must look after her with care so that she does not return to the heart of Mother Earth. The irrigation water too was brought from the heart of the Pachamama, with golden drum, music and chants. So, both the alpaca and the irrigation water preserve the perfect equilibrium of the world. If we make them suffer, then humans cease being runas and become savages, or wack'as. Runas must not fight over alpacas or over irrigation water; if they do, they will return to the breast of the Pachamama."*

Parinacochas in Ayacucho, and the Fair of the lord of *Wayllay*, in Huancavelica. In these cases it is not a mere meeting of sellers and buyers, but a meeting of celebrants of a great festival. Other indigenous fairs take place on a weekly basis and have given rise to the little markets in indigenous communities on the other days of the week. In these markets the merchants, peasant farmers and townspeople meet to buy and sell. Supporting the indigenous fairs can be an effective way of strengthening the Andean economy.

### Strengthening Andean economy

There are numerous examples of how the runa takes advantage of opportunities from the western system, without affecting his own way of life. For example, with money and technical support provided by NGOs, thousands of hectares of *waru-waru*, a traditional, very ingenious and high-yielding agricultural system, have been recovered in the region of Lake Titicaca, between Peru and Bolivia.

Another example is the work of the 'centres for re-confirmation of Andean culture' of PRATEC: the Andean Peasant Technologies Project. Its objectives include the reassertion of Andean cul-

ture and 'mental decolonisation', with a theoretical and practical approach. PRATEC began its cultural assertion work in Peru in the 1990s, through a training programme for agricultural professionals of peasant origin. This training stimulated reflection on the fundamentals of modern science and the peasant knowledge systems, getting to know their own roots, and revitalising the knowledge and cosmovision of Andean peasant agriculture.

Many of these students are now working with the peasant farmers to reinvigorate their own way of life. Several have formed small organisations in their places of origin to promote cultural assertion from within the community. At present these centres of assertion are working as a network in a big UNPD project on the promotion of Andean traditional crops, which includes the spiritual relationship involved. This can be considered a clear example of how to make the most of present economic opportunities, while reaffirming Andean roots, cosmovision and wisdom.

Universidad Nacional Agraria  
La Molina - Lima, Perú.  
ccalderon@lamolina.edu.pe



*In Andean economics local markets play an important role. The word for market in the non-physical sense does not exist in the Quecha language, however.*