



Universität Bielefeld

Fakultät für Soziologie

**Forschungsschwerpunkt
Entwicklungssoziologie**

**Sociology of Development
Research Centre**

Universität Bielefeld - Postfach 100131 - 33501 Bielefeld, Germany / Telefon (0521) 106-4650/4221, Fax (0521) 106-2980
<http://www.uni-bielefeld.de/sdrc/homesdrc>, E-Mail: sdrc@post.uni-bielefeld.de

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**The Social and Marketing Networks among Traders:
A Case of Minangkabau Markets, West Sumatra**

Nursyirwan Effendi

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A. Introduction

Relationships among social actors are not primarily a product of aggregated exchanges, rather they are structured by social activities as a whole and tied in a complex of social networks (Wellman and Berkowitz, 1988: 222). In the context of the market economy, one important role of networks is not only to shape an operation of markets, but also to intertwine market actors with the local community where the markets operate (Swedberg, 1994, 269-270). In other words, the operation of markets depends on larger social networks beyond the markets themselves. Thus, functional relations between the markets and larger communities reflect the embeddedness of the economic system in the social system (Polanyi, 1957; Granovetter, 1992). In this regard, the pattern of social relationships among market actors themselves corresponds to patterns of social actions of the community in general.

Concerning the social system, networks play a role of social governance in establishing or maintaining social relationships between individuals in terms of market purposes or other aims. For this reason, networks serve as a form of "social glue" that binds individuals together in coherent behaviors (Powel and Smith-Doerr, 1994: 369). In the Minangkabau context, networks are usually included in the study of kin relationships (see Naim 1973; Kato, 1980, 1982; Kahn, 1976; Reenen, 1996; Manan, 1995). The kin relationships reflect, in one sense, intertwined lines of social relationships among members of families, lineage or clan. In another word, the kin relationships are the basis of "Minangkabau networks".

That network, resulting from the kin relationships, is based on the spirit of "familism" (*kekeluargaan*) and "ethnicism" (*kesukuan*) cannot be in doubt. These spirits are translated into various observable matters, such as, relationships between migrants (*urang rantau*) and villagers of origin (*urang kampung*)¹, neighborhood relationships, the

¹ These relationships are usually manifested by remittances (*kiriman pitih*) sent by migrants to their family members in their own village (Reenen, 1990; 1996), or, by establishment of *nagari* associations (*ikatan-ikatan keluarga*) in frontier areas (*rantau*) that bridge home people and migrants (LKAAM Lintau Buo,

communal organization of economic resources (*ikatan-ikatan keluarga*) and so on. Beyond the explanation of these concrete aspects of Minangkabau networks, however, the economic motives that underlie the network cannot be denied. What is at further issue is that many writers on the Minangkabau have not paid sustained attention to how the so-called "Minangkabau network" has shaped the structure of market life. One consequence is that we are not able to understand the nature of the kin network's role, direct and indirect which is important in forming market actors' dispositions to trade, for example.

A market may represent, referring to the notion of the market as a social structure, a concrete form of social relationships through the reproduction of signaling and communication among market actors (Swedberg, 1994: 268). In conjunction with this argument, it is assumed that the market system and the actors involved, along with prevailing social norms and values, contribute to the formation of the network in the market context. The purpose of this paper, then, is to try to enrich our understanding of networks that are mostly established by market actors under circumstances of transactions and other trading activities.

B. Meanings of Social Relationships for the Establishment of Network

B.1. Types

Social relationships cannot be separated from their meanings that more or less underline networks in the trade context among the Minangkabau community. These meanings are, however, closed to various objectives set by market actors when establishing and perpetuating networks. These meanings are as follows:

1. *Hubungan sakampung* (a fellow villager meaning for relationships). This meaning suggests that when market actors seek initial partners at the marketplaces located outside of their village of origin, they will usually choose fellow villagers as the potential closest partners. For this reason, traders usually share the same feeling of fate as "a foreigner" (*urang asing*) with fellow villagers at places they meet. This shared fate, then, encourages, on a certain level, a certain intensity of relationships. To establish their relationships on a meaningful basis, traders, in many cases also migrants, express their social ties in the form of trader associations (*ikatan pedagang*) in frontier areas (*rantau*) (Limbago, 1996).

Hubungan biasa (a habitual meaning for relationships). This meaning emerges under conditions where traders are tied by common relationships of exchanges.

1996). In many cases, most Minangkabau will seek out their relatives or their countrymen when migrating for the sake of protection, obtaining a job, financial help and so on.

Based on this meaning, a network is usually maintained as long as the goals and the profits, potentially resulting from such relationships, are successfully reached. The small case of a cloth trader at the Tabek Patah market illustrates this: A cloth trader, who comes from Kumango Village in Tanah Datar, usually obtains his goods from a few wholesalers (*grosir*) known to him at the city market of Bukittinggi or Padang. With these related *grosir* he establishes a lasting and mutual trading network based on buying and selling of cloth and textiles. Therefore, it is not necessary for him to buy goods from any other *grosir*. This trader considers his exchange relationships and ties with these usual wholesalers are real and temporary in nature. In addition, he only has contact with these *grosir* when he buys goods from them.

2. *Hubungan induk samang - anak galeh* (a stratified definition of relationship). This definition can be interpreted as referring to a specific basis of marketing relationships that involves traders and goods producers in so-called patron and client ties. These ties are established on a functional basis and used to transform the market for goods or services into a desired profit for the actors involved. Traders function directly as the retailers of producer's goods and they sell these goods at various marketplaces in accordance with a prevailing market circulation. The producers, on the one hand, function to guarantee the provisions of goods (sometimes also money), supplied on every market day, for these traders. Through such a partnership, the producers can sustain their production process, and on the other hand, the traders can perpetuate their job. For example, at the Tabek Patah market, a few sellers retail chickens supplied by a poultry breeder. The breeder then regularly supplies each seller with up to 50 chickens on every market day. He sets a basic price for each chicken, but the actual selling price at the market is set by the sellers themselves. In this situation, the breeder assumes the position of *induk samang* (the patron), and the sellers play a role as *anak galeh* (the client). Both the chicken supplier and the sellers are involved in a reciprocal relationship (*hubungan saling membutuhkan*) based on the marketing of goods.

In agricultural activities, a similar relationship, defined in the same way, also often occurs. Peasants are able to maintain their activities throughout every planting season, although they lack the money (capital) for the provision of some major things needed for a successful crop. In this case, peasants try to find someone who can provide some capital. A capital provider can be anyone with money, but not every peasant can be a capital borrower. The factors of trust and honesty come into

play. Both trust and honesty are derived and controlled by sentiments based on religion, kinship and by ethnic factors.

For example, a local tailor (*penjahit*) and his wife's younger brother are involved in an agricultural business based on the reciprocal feeling (*perasaan saling membutuhkan*) of their affinal relationship and on economic goals. In this business, the local tailor takes the position as the capital provider (*induk samang*) and his wife's brother as the receiver of capital (*anak ladang*). Their business network is depicted in the following story:

Af (42) is a local tailor (*penjahit*) at the Village of Tabek Patah. He occupies a small kiosk (9 m²) as his place of work. The kiosk is just located 10 meters from the big roof (*los*) of the Tabek Patah marketplace. This means that his kiosk is located at the center of the marketplace. To do his job, he uses two sewing machines and one hemming machine. For the profit sewing shirts and trousers, he is able to save a bit of money. The savings, according to him, will be invested in some agricultural business. The purpose of this is to increase the income and achieve a better level of life for his nuclear family.

To raise a crop by himself, he has no skill or time, and especially, he lacks a piece of land for cultivating cash crops (as a married man, he lives in his wife's village in accordance with the matrilocal residence pattern). Therefore, he needs a business partner who can cultivate a field using his money (capital). He thinks that it is better to give a loan to a familiar person than to a stranger. Through choosing a familiar person, firstly, he can have control over the use of the capital he lends. Secondly, he can easily discuss a potential profit or a profit margin with someone who he is used to working with.

Supported by his wife, he decided to choose her brother (Bujang, 31) and provide capital to him. In this business arrangement, Bujang is Af's capital receiver (*anak ladang*) and the land used for the cultivation is owned by Bujang. They decided to grow tomatoes. The cultivation was begun with the planting of 6,000 tomato seedlings. If the tomato seedlings would produce successfully, each seedling would yield six kilograms of fresh tomatoes. That meant that 6,000 seedlings could produce altogether 36 tons of tomatoes.

During the growing season, Af did not give Bujang the cash all at one. Rather he gave him the capital in terms of the requirements of the cultivation process at each stage. Bujang indicated what was needed, then Af would give the money. After the first half of the cultivation period, Af had spent about Rp.400,000,- used for buying fertilizer, insecticide, and some other equipment.

Af estimated that the capital provided up to harvesting would be about Rp.500,000,-. In reality, the sum could have been more than his estimation. It depends on problems that may arise during cultivation, such as a sickness called "the death of young tomato plants" (*mati bayuang*), or heavy rains or other plant diseases etc. If the harvest would go well, and the market price of tomatoes would be good (the reasonable market price of each kilogram of tomatoes is Rp.900), Af estimated that he would make a good profit. Based on the discussion between them the profit, after the operational costs were subtracted, would be divided into two shares: 50 % would be for himself, and 50% for Bujang.

As long as the crop was growing, Af and Bujang were constantly engaged in the exchange of information. Af always asked Bujang how the tomatoes were doing. He also asked about the problems connected with the work in the field.

On the other hand, Bujang spent considerable time, when he had no more work to do in the field, at Af's tailor kiosk just to inform him of the situation in the field or just chatting. As far as Af was concerned, his business network with his brother's wife mainly reflected his closeness to his wife's lineage. He was very convinced about providing the capital to his brother's wife, because he had absolute trust in Bujang. This feeling could guarantee a successful business partnership. The trust based collaboration would strengthen his affinal relationship with his wife's lineage at the same time. (At the time of the research, their tomato cultivation was not finished. There was still about two and half months to go to harvest, but were the prospects for a successful crop good)

4. *Hubungan dunsanak*² (kin meaning of relationships). This meaning usually defines the majority of social relationships among the Minangkabau. In the market context, this meaning comes into play to strengthen personal ties and positive emotions among market actors involved in a trading network. By using this shared meaning, traders can control unfair trade competition between fellow traders.

Example 1:

A cosmetics trader at the Tabek Patah market trades together with a son of his mother from her second husband (*dunsanak lain ayah*). They collaborate on selling articles. Therefore, it is not necessary for them to compete with each other when retailing similar types of goods.

Example 2:

Another case is a trader of salted fish (*ikan asin*) who trades together with his daughter and his daughter's husband (*sumando*). They occupy trade spaces close to each other at the same marketplaces. His daughter and his daughter's husband sell a similar type of goods as he does. As far as their trade activities are concerned, he tries to avoid as much as possible any impression of collaborative price setting with them to customers. He tries to make it clear that their kin relationships have nothing to do with the oscillating prices of their goods.

Example 3:

Another case is a shoe and sandal trader who sells these goods together with his younger brother. His brother sells related and complementary goods, such as shoestrings, socks, shoe polish, etc.. If a buyer wants to buy shoestrings, he just recommends the buyer to go to his brother who trades beside him.

The trading networks created by most traders refers to these relationship meanings as the basis of their formation. These meanings become crucial, when they come into play

² The term *dunsanak* is a general term of reference without specifying a kinship tie. This term is used either in the context of affinal or in consanguinal kin relationships. Someone who has been linked by means of these kin relationships will be said to be *dunsanak* (a relative). In fact, this term is also applied as a term of address in daily situations without emphasizing whether someone is related by affinal or consanguinal ties. A close friend can be addressed with *dunsanak* (sometimes just *sanak*). In order to avoid formal relations, this terms is also used to address persons involved in the relationships. To some extent, this term is also expressed as a kind of the politeness, when someone wants to address an unfamiliar person or someone newly met.

of a mechanism of control within any ongoing network. Specific goals of an established network, such as reduction of competition, or a better supply of goods, etc. can be achieved when traders can take these meanings into consideration. Hence, functional aspects of the meaning of relationships and the business network are common.

B.2. Moral, Reciprocal and Islamic Notions Behind Established Networks

The sustained factors that also shape networks are the moral rule of "*sagan manyagan*" (literally meaning an "awkward feeling") and the mechanism of *mambaleh* (reciprocity). Relations of both can be delineated as follows: When a Minangkabau has received a valued gift or present, or help from relatives or friends or anyone else, then they should have the feeling that they must repay it in the future. This feeling, in turn, makes the person uncomfortable if he/she has not yet reciprocated the favor. These factors, at least, are an inherent part of the Minangkabau culture. As an *adat* proverb states: *adaik diisi, limbago dituang* (the custom should be followed, and the institution should be referred to). This means that every Minangkabau's behavior must be according to tradition as stated philosophically in customary law. This custom is also believed by the Minangkabau to be a reflection of Islamic norms; "*berbuat baik kepada sesama manusia*" (to be kind and respectful to other human beings). This principle persuades Muslims to repay every kindness received from other human beings.³

In this regard, it is misleading to perceive that both indigenous custom and Islamic norms are paradoxically practiced by the Minangkabau (Abdullah, 1978, Hamka, 1984, Metje, 1995). The Minangkabau always use their customary law (*adat*) and Islamic norms in complementary ways. These ways are expressed in few *adat* proverbs. First, "*sayaik mangato adaik mamakai* (the religion says, the custom does). Secondly, "*adaik basandi sayaik, sayaik basandi Kitabullah* (the custom is based on the religion, the religion is based on the Koran). And thirdly, "*sayaik mandaki, adaik manurun*" (religion goes up to the hill, custom goes down).

Some applications of Minangkabau *adat* are, however, regarded not suitable to the prevailing Islamic norms that should be the primary reference of proper behavior. For example, based on Islamic norms, a person should try to gain from every endeavor "a sincerely religious feeling" (*takwa*). In most case, *adat* tends to lure the Minangkabau into materialistic and prestige oriented behaviors. This is because the materialistic view is

³ The Minangkabau are well known as devout Muslims. There is one city in West Sumatra, namely Padang Panjang, that is called as a "*serambi Mekah*" ("the front porch of Mecca") because of its distinguished Islamic characteristics, especially the mushrooming of modern Islamic schools since the Dutch colonial era.

lurking within *adat* itself (Navis, 1969:13). In this sense, Navis argues that the Minangkabau mostly treat Islamic norms as a part of their customary law. Hence, he emphasizes that customs should not be transformed into Islam, rather, Islamic norms should be transformed into customs (Navis, 1969:12). The former indicates that it should not be surprising if the Minangkabau practice Islam differently from that stated in Koran and *hadis* (collection of stories relating words and deeds of the prophet Muhammad). In any case, the Minangkabau should always be conscious of the latter when trying to practice Islam as correctly as possible.⁴ The corollary is that any customs that conflict with Islamic norms should be abandoned.⁵

B.3. Terms of Address in a Network

At present, the Minangkabau recognize the formation of new kinds of social stratification based on the categories of economy and education (see also Kato, 1982:186-193). These modern categories of social stratification probably reinforce hierarchical social structure among the Minangkabau in addition to social positions based on customary law. In

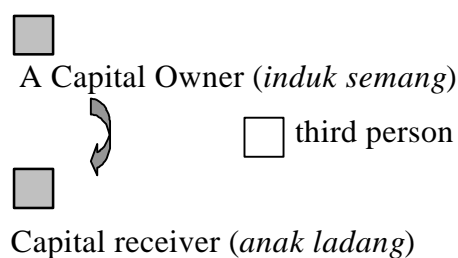
fact, these categories often become observable through the use of terms of address for them, signifying social position, such as "*si guru*" (the teacher), "*ustadz*" (the religious teacher), "*si supir*" (the driver), "*si tukang sapu*" (the sweeper) and so on. Each term of address refers clearly to a certain social position and occupation, in this sense economic level.

In fact, the terms used sometimes have an impact on the person addressed who is involved in a social network. Therefore, in maintaining a good relationship in a certain network, the Minangkabau call someone's position in caution. This happens usually in a situation where a person's position is lower than another or the occupational term mentioned supposedly relegates someone to a lower position, such as the car owner to his driver, the market administrator to the sweeper, or the capital owner to his capital receiver (*anak ladang*) etc. In consequence, a creation of a special term of address for someone who carries out jobs that are asserted as low, should be made. The term of address then used is usually the kinship terminology. This kin term of address is used as a neutral, even friendly, way of expression. This kin term, however, is usually used in the presence of the related person and others. But, if the person is not present at that moment, his lower social position will be openly referred to.

⁴ However, the strong application of customary laws rather than Islamic norms in daily practice is still obvious. This can still be seen in the law of inheritance, and the preference for relationships that is always based on the interest of members from the side of matriline, rather than from the patriline (Syarifuddin, 1984). In addition, however, kin closeness to the patriline instead of to the matriline represents a stronger religious feeling than of attachment to customary law (Reenen, 1996: 4-5; Rasyad, 1998).

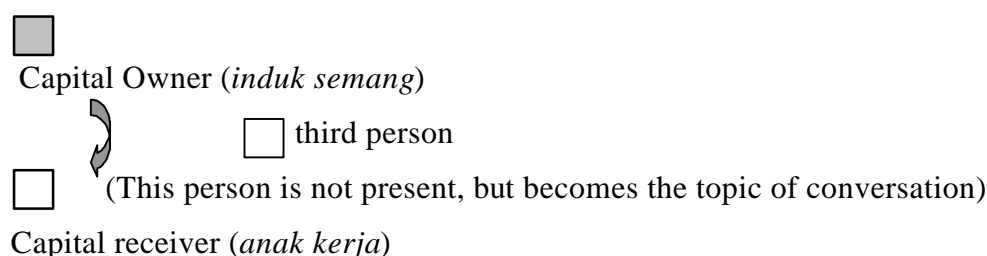
⁵ This is similar to what was declared by the Padri movement (1803-1837) that wanted to accomplish an Islamic revolution and change all *adat* based behaviors to Islamic practices (Dobbin, 1977, Hamka, 1984).

For example: Case 1



In this situation, the capital owner will often address his capital receiver as "a relative (*dunsanak*)", or "younger brother (*adiak*)", or "a man's sister's children" (*kamanakan*) etc. The kinship terminology is a necessary substitute for the actual status of the capital receiver, when he is present along with the third person.

For example: Case 2



In this situation, the capital owner chats about his capital receiver with a third person. The capital receiver will frankly mention the status and position of the capital receiver without disguising them with any kin terms.

C. Transactions and Network Spaces

C.1. Transaction in the Field and face-to-face Relationships

Most peasants, or villagers in general, are quite familiar personally with middlemen who regularly come to them to buy produce. A few of them are even members of their own village community. The transaction between middlemen and peasants take place at home or in the field. Both middlemen and peasants usually engage in the transaction through personal familiarity. Therefore, the personal factors, in this sense, usually come into play in the process of setting prices (Burns, 1977: 11). In addition, the direct transaction in the field identifies the simplest type of exchange as "cash and carry" and illustrates the face-to-face relationship that exists between the parties.

Syawal works as a peasant and lives in the Koto Alam village. This village is located five kilometers from the district center (Tabek Patah) and 22 kilometers from the city of Batusangkar. Geographically, it is located on the western slope of the Merapi mountain, a famous volcano, which is important in Minangkabau social history.

The village where he lives can be described as an underdeveloped area. The lack of infrastructure is quite obvious; no electricity, no road networks connecting areas inside and outside the village, no telephones. This area, though underdeveloped, has fertile soil for planting various cash crops such as tomatoes, cinnamon, rice, chili and various vegetables and fruits.

Considering this valuable richness of the local soil, Syawal grows tomatoes as his major cash crop and from this source he earns his family income. He usually plants at least 1000 tomato seedlings in his field each planting season. According to him, this number of seedlings will produce about four tons of tomatoes. He himself admits that the net profit obtained in every growing season is at least one million Rupiah after the subtraction of operational costs spent during the cultivation process. This profit represents the result of a three-month's work period.

To market the crop, he does not have to go to the nearby market. Rather, he just waits for the visit of a local middleman (*kalene kampuang*) who regularly comes to him. The nearby market is the Tabek patah market. The middleman usually picks up his tomatoes and pays for them in cash. As a result of a long standing trade relation with this middleman, Syawal feels that a particular social relationship with this middleman has been established. Syawal feels an intimate with the middleman as with a relative. Syawal is familiar with the middleman's background, he knows his address, his family, his work, his joys and sorrows in his job, and so on. In brief, they know each other well. Resulting from this close relationship, despite the notorious reputation of most middlemen, Syawal holds the middleman in high esteem. He argued that a devout Muslim should not be distrustful and have negative expectations (*suuzon*) of anyone else, even of a middleman.

In fact, his tomatoes are regularly bought by this middleman shortly after harvesting. Therefore, he is quite confident of earning income on a regular basis. Based on this situation, he improves his family income by only cultivating tomatoes, rather than growing other cash crops, each planting season. He also uses his harvest profit to pay for things he buys, such as a television and a storage battery, a plastic mat, a bed, a cupboard etc. The goods he bought were obtained from the middleman. He intentionally used the benefit of the close relation that he has with this middleman. When Syawal needs something, then he just asks his middleman for it and the middleman will try to set it for Syawal. In doing so, Syawal conducts the transaction as a "barter" exchange. Syawal regards the middleman not only as his customer for his tomatoes, but also as an intermediary person who can provision him with goods he needs. Thus, according to Syawal the middleman is not only his business partner, but, more importantly, also his close friend.

What does the case described above mean? This case, at least, indicates the form of limited transactions that includes the market actors' objectives. The tie between these market actors centers on a personal relationship between the actors and is underlined by some indigenous definitions of social relationships. Although the social tie itself is limited, the significance of the relationships is not limited. It tends to develop from a very specific to a broader social relationship.

The tie between peasants and middlemen, in the case above, reflects a business network that still maintains the closeness of the social contacts, the face-to-face relationships, and a familiarity with actors' personal identities. In the sense of economic transactions, the case above also depict aspects of network that are important to limit transaction risks that may arise due to lack of formal controls over the so-called "village" transaction. As a result, any guarantee of the success or the failure of the transaction is hard to predict. Thus, peasants try to insure a successful transaction by personal effort and

through the mechanisms of control beside the economic institution in itself, such as social and religious norms or values. As Burns argues:

”The amount of good faith and personal effort that a partner put into seeing that an agreement is fulfilled can affect the degree to which problems and damages disrupt trade.” (Burns, 1977:14)

Forms of social networks in urban space, that retains a rural atmosphere that is indicated by close contact among people as a primary pattern of social contact, has been shown by Heike Bremm in *”Nachbarschaftsbeziehungen in einem javanischen Kampung”* (the neighborhood relationships in a javanese Kampung) (1989). Bremm indicates that in the city, especially in a ”village” city (*kota kampung*), the picture showing people’s lives in a physically very crowded space is quite obvious. There, individuals are structured into groups of households that retain the ongoing transactions and the reciprocal exchange, cooperative works, and the face-to-face relationship (*Sicht-Kontakt*) characteristic of village society (Bremm, 1989: 52). In this situation, the network arises among limited participants and is centered on certain egos. This network is categorized as a personal network (*persönliches Netzwerk*) (Schweizer, 1989:12). As Schweizer says:

”Grundsätzlich wird (1) das persönliche Netzwerk, das an einem Ego verankert dessen/deren Interaktionspartner erfaßt, vom (2) Gesamtnetzwerk (”complete network”) unterschieden. Das aus der Perspektive eines einzelnen Akteurs betrachtete persönliche Netzwerk wird in der Literatur auch ”egozentriertes Netzwerk” genannt.” (a personal network is the interaction of partnerships that center on a certain ego...According to the perspective of individual actors, this personal network is also called an ”ego-centered network”).

When a network is based on a number of participants and these participants exchange goods and services with each other, it is called an exocentric network (Bremm, 1989:52).

In Minangkabau villages, the face-to-face relationship, despite being still in effect, tends to be shifting to a another pattern of social contact among villagers. Seen in the lineage context, that this kind of relationship, which is manifested by the social control of mother’s brothers (*mamak*) over their sisters’ children (*kemenakan*), and of lineage heads (*penghulu*) over lineage members, is becoming weaker and looser, cannot be in doubt. The primary cause is the ongoing culture change, and the especially challenging transformation in terms of material goods and related behavior, experienced by the Minangkabau (Syairin, 1992: 34). In this current situation, such traditional types of relationships tends to be acted out in such a way that an economic interest becomes the main motive behind the social behavior. The consequence is that social intimacies, not attached to an economic network become less necessary. This leads to the fact that the social inclusion and exclusion

practices of villagers, based on economic achievements as the major indicator of the process, is becoming stronger than ever.

A decline in the importance of traditional social groups, and a rise in individualism, is quite visible. At least, it can be noted as follows. Firstly, most villagers now tend to pursue their own business interests by putting aside the importance of social togetherness, or they interact with each other for the sake of individual interests instead of collective interests. This kind of behavior is in the local term called *nafsi-nafsi* ("individualism").⁶ As one informant (Supono) expresses it in a common proverb: *Awak mencari untuang awak sorang, inyo mencari untuang inyo surang* (literally means: I seek individually my own advantages, the other seeks his/her own advantages).⁷ During the research, I was quite surprised at the lack of social activities organized by villagers, who are economically better off than others, to help the large number of the poor struggling to survive in their own village.⁸ An ignorance of social obligations to the collectivity and for helping the poor is becoming obvious. At the same time, however, some distinguished religious charities, like *zakat*, *infaq* or *sadaqah*, are not effective in solving the problem of poverty in the village.

In terms of with such phenomena, Hamka has noted that such social problems have been emerging since the colonial era (Hamka, 1984:99; P&K Sumatera Barat, 1994: 21). These problems seem to be a type of social sicknesses. Hamka painted this troubled social picture with the help of an *adat* proverb (Hamka, 1984):

*"Dahulu rabab yang bertangkai, sekarang lagundi yang berbunga
Dahulu Adat yang orang pakai, sekarang uang yang berguna"*
(in the past, a two-stringed instrumental music had its bow,
now a sticky plant is flowering,
in the past, custom was quite strict,
now money is everything)

⁶ In many Minangkabau villages, it is not rare to find poor families living side by side with relatively rich families. It is also not rare to find relatively luxurious houses established side by side with very temporary houses in villages. That picture of Minangkabau village life represented by heterogeneous levels of economic prosperity is quite clear now. In the Tanah Datar regency, this picture can be found especially in Sumanik, Sungai Tarab, Tabek Patah, Padang Luar, Balai Tengah, Saruaso, Salimpaung, Barulak villages.

⁷ This proverb is not a Minangkabau *adat* proverb. This proverb was made up by my informant as I discussed with him the tendency of declining motivations to do collaborative work (*tolong menolong*) among villagers.

⁸ I ever found a very poor nuclear family that made a deliberate social break with its closest neighbors. The father did because of his hopelessness in getting help from his neighbors to overcome his poverty. As far as he was concerned, nobody wants to help his family financially, not even his better off older sister who lives not too far from his house. He did not know how to improve his economic condition. Thus, he decided it is better for him to develop a "social alienation" (*menyendiri*) from his own community. His action is obviously a social protest against other social classes, especially well-to-do villagers, in the village. It seems to him that the harmonious class relationships in the village is only symbolic (See Scott, 1985).

This proverb means that there is an ongoing replacement of collective interests, that are governed by *adat*, with all sorts of materialistic purposes. Social ties, thus, are seen as important only as far as the economic advantages of individuals involved can be furthered.

Secondly, most villagers do not share a common outlook. The most influential factor in village life today is the remarkable social mobility of villagers that is supported by the availability of communication and transportation facilities. The village is becoming the site of open social traffic with the outside world. It has become usual for the villagers to be accustomed to the going and coming of fellow villagers, and even of unknown persons, who carry out a tremendous variety of activities and have various goals. However, the similar pattern of local social interactions cannot be perceived as the reflection of shared perceptions and common interests.

Thirdly, as a result of the situation described above, spaces for social contact among villagers are becoming broader. Most villagers are involved in social and economic pursuits outside of their own village scene and local interests. For example, many villagers look for occasional jobs in the city, or other regions, or even outside the province, where they can improve their economic status.

The table below indicates at least the decrease in frequency of face-to-face relationship in the village.⁹

Table 1. The Frequency of Respondents' Encounters with Members of Parent's Line

Freq. of Encounter	Matriline ¹⁰ f(%)	Patriline ¹¹ f(%)
Everyday	29,6	12,4
A bit rare	17,5	6,6
Rare	28,1	15,8
Not Relevant ¹²	24,8	65,2
	100	100

Source: Own Data, 1996

⁹ This table is based on interviews with 243 Tabek Patah villagers. They were chosen with cluster area and simple random sampling techniques.

¹⁰ In this case, members of matriline are brothers and sisters (*dunsanak kanduang*), mother's sister's and brother's children (*dunsanak saparuik* or *sepupu*), mother's brother (*mamak*), and sister's children (*kamanakan*).

¹¹ Members of patriline include father's sister and brother (*bako*).

¹² Not relevant means that most respondents do not meet the relatives that I asked about. The reasons are that the relatives have died, or are living far away, or respondents feel that they have no need on reason for contact.

Table 2. The Comparative Frequency of Respondents' Meetings With Members of Parent's line

	Matriline		Patriline	
	Mother's sisters f(%)	Mother's brothers f(%)	Father's sisters f(%)	Father's brothers f(%)
Everyday	30.9	16	14	10.7
Three times a week	1.6	0.4	0.8	0.4
Twice a week	0.8	1.6	0.8	0.4
Once a week	16.5	14.4	6.2	4.9
Rarely	23.4	26.3	16.5	14.8
Not Relevant	26.7	41.2	61.7	68.7
Total	100	100	100	100

Source: Own Data, 1996

The table above indicates a tendency for close relationships with relatives in matriline becomes less frequent. Based on observations in two villages (the Tabek Patah and Koto Alam villages of Tanah Datar regency), most villagers argue that they cannot spend much time visiting relatives because work in the field or activities to add to their personal incomes take up most of their time leaving little time for visits. Social meetings with relatives, even with neighbors, tend to become less important.

Related to this point, face-to-face relationships seem not to be a primary pattern of social interactions among villagers. Compared with the past, Ken Young argues that Minangkabau households have already divided their roles into subsistence and economic purposes. To some extent, these roles influence the formation of social relationships (1994):

Firstly, the broader socioeconomic patterns of the region cannot be derived through the simple aggregation of the village micro-processes. Households were economically reproduced through their participation in a trade-based division of labor which extended beyond village, and, in some sectors, regional boundaries. Their form and function depended also on their insertion into much wider economic processes and social relations. The second point is that the households were not only themselves constrained by their integration into more complex economic structures; they in turn constrained the course of development of the same wider economy. Lastly, there were significant structural differences among households, especially those determined by the extent and nature of the resources they controlled, and these led to divergent responses of different classes of household to changes in the wider economic environment (163-164).

These roles, however, were not only produced by internal factors, from the extent of social, economic and ecological variations, but also by the external factors of Dutch colonial interference and Minangkabau involvement in significant intra-regional and

international trade. Thus, such factors have influenced the typical Minangkabau response, that is of maintaining, or adapting, or changing their patterns of social relationships dealing with relatives and other members of the local community. These divergent responses were important since they functioned as the principal link between the larger tribute, subsistence and commercial sectors and rural areas (Young, 1994: 161).

C.2. Transactions at Marketplaces

Marketplaces also imply an independent mechanism of the distribution of various agricultural products.¹³ Peasants act as producers and as sellers of their own products, and middlemen, who then distribute and retail those products, are involved in the transactions at their own risk. In the past, marketplaces in Minangkabau, especially in the highland area, functioned as the location of warehouses. Peasants had to deliver their produce to these warehouses under the forced delivery system (*tanam paksa*) before they could be traded or exported (Amran, 1985, Graves, 1981). Warehouses, and thus also the marketplaces, functioned as a medium of the international trade cycle but also as the lowest level of economic and political control of the Dutch colonial government over the local community.

Now, the middleman is usually an intermediary institution that connects peasant produce with various marketplaces through certain marketing networks. These market actors, as a result, control the process through the operation of the local market mechanism without the intervention of governmental controls over their activities, like in the colonial era. Produce bought by middlemen from peasants will then be sold to various traveling traders, sellers and vendors at other marketplaces under competitive trade conditions. In this sense, the relationships between peasants, middlemen and other market actors are mainly articulated by transactions. However, they are never free from the social, psychological, physical and economic restraints and ties affecting their marketing behavior (Burns, 1977:20).

The nature of bargaining process, which is indicated by the face-to-face price setting negotiations, creates social relationships between the actors who influence the process of the transaction itself.¹⁴ In a simple picture, the transactions take place in a crowd of peasants and middlemen in a certain area of the marketplace. At a first glance, we only see a crowd of people who are laughing and chatting with each other, and milling around. Meanwhile, a large amount of produce is piled up on the ground nearby. We often do not

¹³ In terms of this aspect, local governments at the regency level down to the village level have no special function in the activities.

¹⁴ In the case of weekly markets in Nasik district, India, the transactions at the market are conducted and regularly maintained based on local values and beliefs. Moreover the activity in these markets has a religious rhythm (Karve and Acharya, 1970).

know at which point the transaction begins, because the setting of prices is openly done by all market actors involved in the transactions.¹⁵

If we immerse ourselves in the trading, we can recognize at least a few of the types of performances of market actors and the strategies they use. Middlemen usually can be identified by the calculator and the notebook they bring with them. The calculator is used for helping them in setting prices, while the book is used mainly for recording the amount of goods that have been traded, and so on. Another remarkable attribute is their aggressiveness in the face-to-face price setting negotiations with approaching peasants, as they arrive with their produce. They will immediately bombard peasants with questions, such as “who is the owner this produce? (*barang sia ko?*)”, or “what goods do you bring? (*a galeh dibao?*)”, or “How much are you going to sell these goods for?” (*bara ka di jua galeh ko?*). In this sense, the recognition of typical actions of market actors is quite necessary for identifying the transaction itself.

In terms of time, from early in the morning until about 09.00 a.m. the marketplace are already bustle with the transactions activities. As trading begins, middlemen examine produce offered by peasants, to see whether the goods offered are in good condition or not. Then, the buying price is set as the result of this. Before the transaction is finally over, the goods are weighed by a “weigh man” (*tukang timbang*) who was waiting close by. The middleman pays cash for the produce that he buys. The next step is that the goods to be delivered are packed into a number of sacks or boxes. At this point, the transaction is generally finished.

Basically, the transactions taking place at the market place can be characterized by, firstly, that payment is always in cash, and secondly, that the number of market actors involved is somewhat larger than for the transactions usually done in the fields. There are sub-middlemen (*kalene ketek*), a weigh man (*tukang timbang*), and a carry man (*anak angkat*) to facilitate the transactions at the marketplace. Thirdly, peasants have greater possibilities to bargain over prices with more than one middleman, and other buyers in

¹⁵ This is completely different from the pattern of transactions at livestock markets (*pasar ternak*), that I call a “male marketplace” (*pasar khusus laki-laki*) because only male traders and buyers are present. A specific type of transaction is called a “closed in-hand transaction” (*barosok*). This transaction is carried out secretly and silently between a trader and a buyer. A seller and a buyer agree to a livestock price just by joining hands and then covering them with a piece of a certain textile, such as sarong, towel, or jacket. Then, each of their fingers makes certain gestures that symbolize the bargaining process. Nobody knows what price is agreed upon for an animal, except the buyer and the trader who just made the transaction. The general practice is not to allow everyone to know the price just bargained with others. If a buyer wants to know the price of an animal, he must contact the trader himself. Thus, the trading is closed. This type of transaction in the livestock market is completely unfair, according to most Minangkabau, and benefits only traders because buyers remain ignorant of the price prevailing at the moment. Therefore, people think that the *barosok* transaction should be banned from the livestock market and changed to the normal open type of transaction (Haluan, May 24, 1996).

general. This is possible because the transaction itself is open to everyone. Thus, the influence over prices from all market actors gives rise to market competition. Fourthly, the face-to-face negotiations to set prices of various market actors make the different meanings of social relationships more important at the marketplace. Therefore, the transactions at the marketplaces lead to the formation of broader personal relationships and the potential establishment of networks.

D. Some Characteristics of Networks established at the Marketplaces studied

D.1. Articulations of Networks

Looking at the networks among traders at the Tabek Patah market, we see that 24.2% of traders engage in shared work (*kerja sama*) in order to maintain their network, and the rest of them (75.8%) do not. Kinds of shared work are purchase of goods (11.1%), help in providing capital and goods (3%), and the distribution of goods (10.1%). These shared tasks are based in a feeling of friendship and of the "similar faith" of jobs (*senasib sepenanggungan*), and the familiarity of individuals who come from the same home-base or origin (*sakampung*). Shared work performed by most traders is particularly aimed at increasing the amount of trade traders do. Although the social significance of the relationships are limited, the network they underlie tends to be used to show "a communal economy".¹⁶

Companionship is another indicator of the articulation of the network. Most traders would rather trade without a companion at marketplaces visited (66.7%). The rest (33.3%) need a companion when trading. Of these 28.3% are family members, and 5% are close friend(s). Generally, it can be said that a companion is not too important for most traders. In this regard, traveling traders can be categorized as "lone traders". Looking at traders (28.3%) who prefer to trade with companions, the persons chosen to be their companions include husband or wives (15.2%), children (7.1%), older brother or sister (4%), and own parent (2%). In terms of who they work together, this means that the persons who are involved in the network come especially from the traders' kin circle or, at least, are well known persons.

Even though most traders do not need a companion, 66.7 % of traders feel "at home" at the marketplaces they usually visit. They have relatives there who are also working as traders. The status of these kin relationships can be specified as parent (2%), mother's brother (*mamak*) (1%), own brothers and sisters (*dunsanak kanduang*) (11.1%), mother's sister's

¹⁶ This term does not mainly mean a system in which the production and distribution of goods and services are controlled collectively instead of individually (Johnson 1995: 47). This term rather means the understanding of shared work done in relation to trade activities, and based on individual risk-taking and planning.

or brother's children (*saparuik*) (8.1%), own children (*anak kandung*) (3%), a father's sister (*etek*) (5.1%), wife's brother or sister (*ipa*) (2%), and member of the same lineage (1%). On the one hand, these figures mean that the persons who potentially may be involved in a network include the members of the matriline and patriline. On the other hand, the trader without companions, who has kin at the marketplace visited, indicates the phenomenon of an "independent enterprise" (*usaha mandiri*) in trade but still shows the importance of kin ties in trading.

Since most traders tend to perform their work on an individual basis, it means that a trade competition usually occurs among non-relatives (*basaiang jo urang lain*). The expression of "developing one's capability to benefit oneself" (*barusaho mandiri*) seems to be an ideal motivation for trade. This is, in one sense, also the motive for founding an "individual enterprise" among the Minangkabau.

In regard to the closeness of kin relations in the context of household economy, this type of enterprise shows personal freedom for choosing one's occupation beyond kin group interests. Such persons are not tied to use of communal property as a main source of income. Secondly, this kind of enterprise is chosen by lone traders and this job is their main source of income. This income, then, is privately owned. It means that the lineage allows its members to concentrate on market-based economy and thus to decrease the exploitation of the communal property for the nuclear household (see Young 1994: 149).¹⁷

Meanwhile, the need for trading companions, indicated by a minority of traders, shows that trade still represents a part of the household economic activities. The trading is still a form of family business. It means that the household economy includes subsistence and commercial activities that can be carried out side by side (see also Young's hypothesis about this household economy, 1994).

D.2. A Contractual Basis of Networks

In the context of the marketplace organization, there is a contractual relationship that indicates network links between the market administrator and some particular villagers. The market administrator give some people he knows well permission to provide trade facilities, such as bamboo platforms and chairs, and the big paper umbrellas used to

¹⁷ In the Minangkabau context, the members of a lineage are regarded as a potential family labor pool that has the responsibility of maintaining certain communal property (*harta pusaka*) including land and livestock. This maintenance of the communal property is done in various ways, such as cultivating land and selling the harvest, or controlling its distribution etc. The main thing is that the communal property must provide the source of the lineage income. On the other hand, the lineage acts as a "gatekeeper" preventing individuals and households from alienating the matriclan property. (Young, 1994: 163).

trade places. In return, these persons, or so-called local entrepreneurs, must turn over to the market administrator a certain percentage of their income. This mutual business relation is indicated by a kind of informal contract existing between these market actors.

Out of this transaction, market administrator also develops another transaction with other certain villagers who have a full right of setting and collecting market tax especially in *bulan Ramadhan* (a fasting month) given by the market administrator. The persons take over the job that administrator usually does during the remaining months. In return, they should give the market administrator a sum of money that is similar in value with income normally earned in these months. In this regard, the market administrators "sell" the market by means of a special contract of time and kind of job to well known persons. These kinds of contractual transactions, then, reveal the limited network existing between the market administrator and particular villagers.

D.3. A Temporary Network

Some cases indicate that a number of traders try to avoid establishing a permanent network with familiar traders, who are mostly known as fellow villagers, and who also sell the same type of goods. They do it because they want to reduce trading competition between them. The strategy of doing it is they avoid a visit to the same markets. In doing so, they cannot meet each other at the same location when trading. In the markets they attend, to establish a network with other traders, who sell different type of goods, is considered better.

A female trader from Koto Tuo village of Sungai Tarab district does not want to sell her coffee at the local marketplace nearby her village, though few of her friends, who usually pound coffee beans together at a traditional waterwheel, prefer to sell coffee at that market. The coffee she sells is well known as "*kopi Koto Tuo*" (Koto Tuo coffee) that was originally produced in the Koto Tuo village and is one of the best quality coffees in Tanah Datar. She prefers to sell her coffee at Balai Tengah market (24 km from his village). She sells coffee at marketplaces that are not attended by her friends. She does it in order to avoid competition with her own friends, namely, her own fellow villagers. She likes to find new friends at marketplaces far away from her nearby marketplace.

This demonstrates that networks must not be always built from long-standing social relationships. In the case above, a group of traders do not participate in a marketing network together with traders who come from their own village despite the fact that they sometimes are involved together in the process of producing the same product. A contrasting picture is shown by the case of chicken traders in the previous section. Chicken traders come from different villages and they do not know each other beforehand.

However, they sell similar goods together, obtained from a single producer (a chicken raiser), at the same trade space. Through the sale of these goods, they are linked in a marketing network. This means that a business network can arise among strangers who are linked to one another by their relationships to one producer. These cases indicate another aspect of competition and networks dealing with trade at peasant market.

One interpretation of the above is that the Minangkabau will compete with each other if they occupy the same position, but are not involved in a certain network. They only compete among themselves, not with others, but they make up a certain network with others, and not with each other. The Minangkabau will establish a network if they are involved in different work roles, rather than in the same position. This leads to an understanding of characteristics Minangkabau behavior, that is, that the Minangkabau tend to practice internal conflict. To put it another way, a network, is a strategy to avoid internal conflict. Therefore, network and conflict among the Minangkabau can be seen as either contradictory or complimentary methods of successful trade.

E. Type of Transaction and Social Satisfaction

Most market actors make transactions by using a system classifying the quality of agricultural commodities. Some commodities traded in this way are cinnamon (*kulit manis*), fruits (such as bananas and avocado), leeks (*daun bawang*), chilies (red and green), beans, and ginger.

The most distinguished pattern of transaction is represented by the sale of cinnamon.¹⁸ The main market actors involved in this transaction are peasants, weigh men (*tukang timbang*), and sub-middlemen or middlemen. A basis for price setting is derived from the classification of cinnamon. These grades are, firstly, AA (*dobol*) or KA. This grade is produced from barks of cinnamon that have been processed in such a way that the cinnamon is dried and the outer layer of the bark (*epidermis*) is gone. Its' good color is a bright yellow brown (*coklat muda*). This type of cinnamon can usually be obtained after the tree is between 15 and 20 years old to produce a very fine quality, and 8 - 10 years old to produce a good quality. At the market, cinnamon of this grade is sold for the highest price.

The second type is called KB. This cinnamon is similar to the AA type, but the difference lies in the outer layer of the bark (*epidermis*) which has not been removed. Its

¹⁸ Cinnamon (*kulit manis*) is the major export produce of Tanah Datar rency. Every Thursday, all cinnamon produced by peasants from Tanah Datar region is auctioned at the Guguk Ketitiran, Batusangkar under the supervision of government officers from the trade office (*Dinas Pedagangan*) of the Tanah Datar rency. Middlemen, or wholesalers and peasants are involved in the competitive transactions taking place there.

good color is dark yellow brown (*coklat kehitam-hitaman*). This grade can be produced after the tree is up to 7 years old. This type of cinnamon is usually sold at a somewhat lower price than the AA type.

The third grade is called *KC*, also called splinters of cinnamon bark (*pecahan kulit manis*). This grade is produced from the processing of the cinnamon type *KB*. At the market, this type is transacted at the lowest level of the selling price in comparison to the two types mentioned before.

Despite the fact that prices of *kulit manis* are basically standardized, in practice, they are always changing. The most important factor is the "level of dryness", or, in the local term called, *aie*. The drier the cinnamon, the higher the price will be. The grades of dryness are commonly *aie 0*, *aie 5*, *aie 8*, and *aie 10*. The *aie 0* means a perfect level of the dryness of processed cinnamon and that its price will be set at a 100 % of the prevailing standard market

price. For example, cinnamon grade AA has a standard price of Rp.5,200 per kilogram. When the cinnamon of grade AA with the dryness of *aie 0* is traded, then the price will be calculated as 100% of the standard market price. The set price will be Rp.5,200 per kilogram. The formula is $(100-0)\% \times 5,200 = \text{Rp.}5,200,-$.

If the middleman responds to the cinnamon offered by the peasant, he will first of all check the goods to know which level of dryness the cinnamon has. If he decides the cinnamon has "*aie 5*", it means the price will be set at:

- $(100 - 5)\% \times 5,200 = \text{Rp.} 4,940,-$.

Thus, the standard price prevailed, but with this *aie* judgement the peasant can only sell his cinnamon for a price of Rp.4,940 per kilogram, instead of Rp 5,200.

When the middleman evaluates the cinamon as "*aie 10*", then the price will be calculated as follows:

- $(100 - 10)\% \times 5,200 = \text{Rp.} 4,680,-$.

This means that the cinnamon must be sold for this price.

The level of dryness is absolutely determined by middlemen. Under their price control, they dominate the arena of price setting and of profit potential. This right, in a sense, is thus a middlemen' trick in cinnamon transactions and the middlemen' strategy to dominate the structure of cinnamon trading. No peasant can set the grade of dryness of his/her goods. Even if a peasant can judge the dryness grade of his cinnamon it will, in any case, be officially determined by the middleman. But, since the method of judging dryness

of peasants and middlemen is different, the resulting transaction is often characterized by tension.

On many occasions, the *aie 0* is hardly used by middlemen in the price setting processes, although peasants offer cinnamon which they suppose meets this level. Middlemen are seen as never grading cinnamon as "0", but using only levels of *aie 5*, *aie 8* or *aie 10*. However, one informant (a cinnamon middleman) argued in reaction:

"The middleman (*kalene*) has never really suppressed the cinnamon price paid to peasants, we only judge the level of dryness as one of the necessary factors in a cinnamon transaction. If a middleman sets the *aie* unfairly, then they will lose income, because the peasant will not want to turn over his goods to a middleman like that".

The argument above mostly does not represent reality, as the majority of peasants suspect. Such an argument gives more of a hint of the secret trading strategy practiced by most middlemen and their effects to cover up their trick. In fact, a large number of middlemen, operating at the marketplace, have to compete with each other in their dealings with peasants in order to have goods. Peasants often feel unhappy when facing a middleman who is thought to be unfair to peasants about the dryness level. Since the level of dryness is the most important factor in the cinnamon transactions besides the price itself, a transaction usually is not done in hurry. We often see the transaction, between the same persons, being carried out over and over. The price bargained for constantly goes up and down, as if the price will be never set.

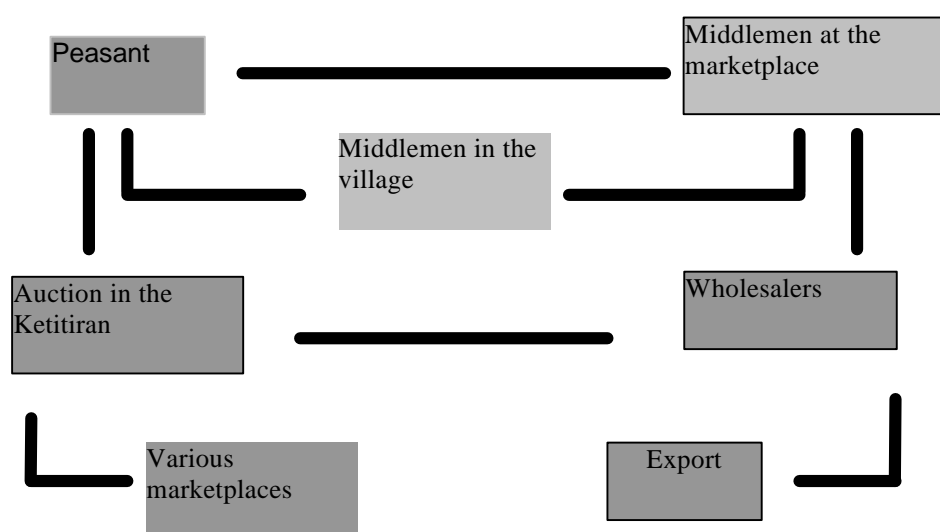
But as long as the goods are bought and the price is set by the same middlemen, the peasant can never be "a winner" in the transaction. Since the price depends completely on the middlemen' trading game, the successful peasant in a single transaction is one who is able to sell all their produce, whatever the price is finally set at. In this sense, cash is the primary aim of the needs sale. The money obtained from the sale must be sufficient to buy daily consumption needs, and leave a certain amount to be taken home. The main aspect in a successful transaction from the peasant's point of view is to achieve some level of social satisfaction (*pueh*).

Do peasants lose a certain amount of profit when the selling price is far lower than what he or she expects? The answer is yes, but they still feel lucky because the money they have earned from the sale of the crop can replace the capital invested. But, if the money obtained is far less than the capital invested, do they still feel a loss of a profit? The answer is no, because they still feel lucky. Why? Because all their goods could be sold (*tajua habih*), and they do not have to bring produce home, although they make only a small amount of profit. Also, they still are able to buy needed things at the marketplace. If the

goods were not completely sold, did they lose a profit? Yes, but they still feel lucky because they still get cash.

The passage above is a general formulation of the peasant's social satisfaction (*pueh*), that is aimed at in every transaction of their produce. The understanding of this social satisfaction seems to be an answer to why peasants maintain a network with middlemen despite being cheated.

Diagram 1. Cinnamon Marketing Network



Cane sugar is another important local agricultural product, which also is associated with a typical pattern of transaction. Peasants, as the major producers of cane sugar, usually sell their goods at an auction (*lelang*) at which middlemen and other retailers take part. At the auction, middlemen play a role as the main buyers. The locally produced cane sugar is then supplied to other marketplaces or to certain cake factories. In the Tanah Datar, the Tabek Patah market is one of the central location of cane sugar auctions. Most buyers who want to buy such commodities must go there.

This auction is not really carried out in accordance with the rules of a pure formal auction. Rather, it is carried out by means of an intensive higgling and haggling going on between the market actors. Buyers, who are mostly women, try to buy cane sugar for less than the standard price prevailing at the moment. However, the bargaining cannot go too far from the standard price. The peasants will otherwise only sell their goods at the more reasonable prices offered by certain other bargainers.

Cane sugars are distributed from producers to consumers in the following pattern of market circulation. This circulation becomes basis of the distributors' system for retailing

goods at different places and time. Choices of local markets for distributing the cane sugar to markets in Salimpaung district and surrounding area are Tabek Patah market (on Monday), Barulak market (on Tuesday), Rao-rao and Sungai Tarab markets (on Wednesday), Tanjung Alam and Batusangkar markets (on Thursday), Salimpaung market (on Friday), Rao-rao market (on Saturday), and Sumanik market (on Sunday).

Producers of cane sugar sell their goods at the marketplace where demand for such goods is high and the markets visited are, as much as possible, located near to their home base. This is because they have to carry goods that weigh of 20 - 40 kilograms per sack. And only a limited local transportation is available connecting their village and the marketplace. In any case, peasants need local transportation to take their goods to the marketplace.

If producers want to go to other market places on different market days, they have to finish the production work connected with cane sugar a day before the market day to be visited. Moreover, they usually choose a certain market day that is suited to their production schedule. For example, if they are able to produce cane sugar only by Sunday, it means that they can go to the market on Monday. If they finish their work on Thursday, they will go to the market on Friday, and so forth. Thus, the market circulation becomes a basis of peasant work rhythms.

F. The Marketing Network in the Village

Besides trading, traders are alert to opportunities to build relationships with other traders at the marketplaces they usually visit. This intention shows that networks are established in a manner in which the accessibility and the acquisition of trade spaces can be maintained for as long as possible.

The Tabek Patah market is one of important centers for the distribution of agricultural products in the Tanah Datar regency. At this place, middlemen and suppliers establish marketing network for various kinds of marketable produce. They deliver and distribute these to other traders in other urban regions, such as Pekanbaru, Duri, Jambi cities etc. The preparation of deliveries of commodities take place at night from 09.00 p.m. – 12.00 midnight. After that, the commodities will be transported and arrive at the destination on the following morning. At the destination point, these commodities are directly distributed to local wholesalers, retailers and local traders or sellers at various marketplaces.

Distributors operating in the Palembang city of South Sumatra, who want to supply goods to the areas above, could not get access to markets there. They have to distribute their goods to the "Tabek Place" distributors. These traveling distributors also occupy a place in the marketing network for agricultural commodities coming from Padang highland, especially from Tanah Datar, to

many marketplaces in Pakan Baru, Dumai, Duri and Bangkinang.¹⁹ Many local middlemen, who come from marketplaces such as Situjuh (Lima Puluh Kota regency) and Pincuran Putih (Bukittinggi), also meet at the Tabek Patah marketplace and sell their commodities to these distributors.

Table 3. Area of Origin of Several Commodities Transacted at the Tabek Patah Marketplace

No	Commodities	Regions of Origin	
		Area	Province
1.	Red Chili and Tomatoes And other vegetables (beans, spring onions etc).	Situjuh Tungka Palembang	Agam, West Sumatra Medan, North Sumatra South Sumatra
2.	Red Chili	Simabur Solok Curup Jambi	Tanah Datar, West Sumatra Solok, West Sumatra Bengkulu Jambi
3.	Tomatoes	Baso	Agam, West Sumatra
4.	Sweet Potatoes and Cinnamon	Lintau	Lintau, West Sumatra
5.	Chicken	Payakumbuh	50 Kota, West Sumatra
6.	Blacksmith-made metal goods	Baso	Agam, West Sumatra
7.	Coffee Powder	Koto Tuo Bukittinggi	Tanah Datar, West Sumatra Agam, West Sumatra
8.	Cloths and textiles	Jakarta Bukittinggi	Jakarta Agam West Sumatra

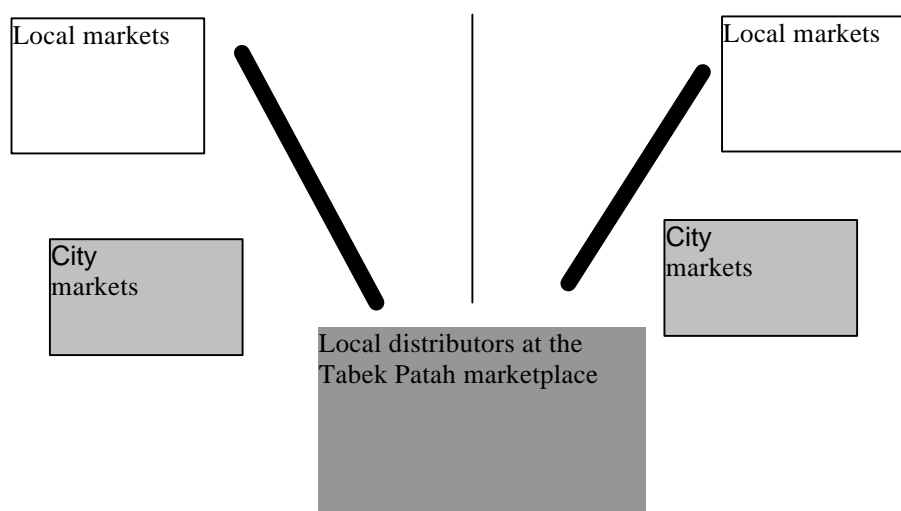
Source: Own Data 1996

Based on the table above, we see that several commodities are marketed to areas crossing the provincial borders. The pattern of marketing networks is indicated by the flow of a number of commodities, that come from the local level and are sent to the broader marketing level of the region. The goods, such as chilies, tomatoes, beans, springs onions, come from Tabek Patah village and are supplied to Dumai, Batam and Duri, Tanjung Balai Karimun, Selat Panjang (all located in Riau province), and city market in Jambi province. Other types of produce such as chilies, tomato, avocados, bananas come from the Tabek Patah market and then are supplied to Palembang city of South Sumatra, Jakarta, and Padang (West Sumatra).

¹⁹ All these cities are located in Riau province, the neighboring province of West Sumatra in the eastern part of the province border. In the past, this was an important eastern route of Minangkabau trade (Graves, 1981).

A marketing network is shaped by the role of local distributors who dominate the trading network from the local marketplaces up to the markets in the cities. One marketing network indicates the trade route that is dominated by local market actors.

Diagram 2. The Pattern of Distribution of Agricultural Products Through The Tabek Patah Market



F.1. Between Local Trader and Big Traders: Business and Faith

Personal relations between the local trader and the big trader are regarded as one important factor in the marketing network. These relations are characterized as informal relationships between trading partners who are interested in marketing certain goods. The networks so built are aimed at keeping the supply of distinctive commodities and services between traders sustainable. Taking a look at a trader who sells various types of hats (*pedagang topi*) at the Tabek Patah marketplace we can capture the essence of such relations:

The trader explained that he is the only trader who sells hats at the Tabek Patah marketplace. He describes himself as a "lone fighter of a trader" (*galeh sorang*) because he has no relatives who attend this market, and as a traveling trader (*pedagang babelok*). He admits that he has a marketing network, that he deliberately set up with other big traders who sell various models of hats at the bigger market in the city. He does not like, in contrast, to join in a marketing network with other traders at the village markets. He does what he does because he wants to obtain certain goods. It is better for him not to have goods that are also sold by other traders at village markets. He claims that if many traders do not sell the same commodities as he does, it means he can reduce his competitors, and consequently, can have a greater opportunity to make a bigger profit. Therefore, he maintains supply channels with bigger traders who can give him specific goods. Many big traders usually reserve particular goods for him.

- Hats and socks are supplied from the city market of Bukittinggi.
- Belts are sent from Jakarta through his friends there.
- Bags are supplied from Bukittinggi and Jakarta.
- The normal muslim-used hats (*kopiah*) are directly supplied from produces in Baso (near Bukittinggi city).

As far as the marketing network is concerned, both the local trader and big traders not only exchange goods, but also market information. The local traders often inform the big traders about those goods currently favored by villagers. Based on this information, the big traders then provide the local trader with the goods requested. This type of relationship, I prefer to describe as a form of hierarchical network flow (*hubungan bajanjang naiak, bajanjang turun*). A local trader contacts the big traders. In turn, these traders send the needed goods to the local trader.

This kind of relationship lacks marketing network ties between local traders, but increases the networks with the bigger traders operating outside of the local marketplaces. This kind of network is primarily used to increase the chances of obtaining a supply of particular goods from the big traders. To maintain the network, local traders always pay cash for all the goods they obtain, instead of paying for them on credit. On the other hand, the bigger traders prefer to give the local traders, who pay for goods in cash, more chances of having certain goods, than those traders who want to have goods on credit. This means that the marketing network still operates on the basis of informal contracts by means of the practice of these cash and carry purchases. These relationships depict a use of market rationality.

In any case, market rationality requires the liberty and equality of relations between potential and real exchange partners. However, this rationality requires a depersonalization of the act of exchange, its reduction to a transaction on the basis of a contract, and is principally emotionally neutral in character as far as the trading partners are concerned, although with a highly individualized interest (Buchholt and Mai, 1994:163).

F.2. Between Local Traders and Customers

Some local traders and certain customers also establish a personal network. Through this network traders can retain certain customers by means of goods which are paid for by them on credit.²⁰ The credit is in fact a very suitable way of trading that is based on a combination of social and economic factors, namely, on trust (*picayo*), good faith (*nasib*

²⁰ This credit, in local term called *kredit*, is not a loan as commonly practiced according to the formal procedure of business, such as by banks. This is only an indigenous custom of selling goods by traders where buyers are allowed to pay for the goods they buy in several installments.

elok) and faith in God (*pasrah*). For customers, the personal relationship they establish with certain traders is useful in obtaining desired goods when they do not have enough money to pay for the goods immediately.

The process of such credit based trade is as follows: A trader sells certain goods to his customers on the basis of an informal contract of payments. In this kind of payment, the trader permits customers to pay in several installments and usually does not set any kind of interest for such payment. The time schedule of the payments is agreed upon considering the buyers' circumstances. The trader and the buyer then make a verbal deal that consists of the buyer's promise to pay for goods with certain sum of money divided into several payments. The trader records the customers' name and an address that is usually just the customer's village (*kampung*) but not a detailed address such as name of a street, the house number etc.. They make no formal bill of credit or a formal statement of the transaction. At that time, the buyer play a role of "a debtor" of the trader, and from that point on he is tied by the social and economic obligation to repay his/her debt.

On every market day, "the debtor" comes to the trader to pay his debt. This action is expressed by *pai baia utang*.²¹ Sometimes, "the debtor" does not come to the trader to pay his debt on the agreed upon schedule. In this case, the trader has no means of forcing the indebted customer to come to pay.

Sometimes, the "debtor" comes to pay his debt, but the amount of the payment is less than promised. In this case, the trader also usually does nothing. A break of the stated promise by "the debtor" is so far tolerated by the trader. The trader then can only look forward to the next payments. The important thing is the credit should be finally paid by the "debtor".²²

An extreme event sometimes happens. The "debtor" often runs away from his obligation to pay the debt. In this situation, the trader can do nothing. The trader only thinks about it as a lack of good faith (*marugi*). By contrast, he will have a good faith (*nasib elok*), if the credit can be paid for by the "debtor", even though not on time.

In agreeing to such credit, most traders are submissive to luck and faith, even if some of their "debtors" disappear and never show up again to pay their debts. This indicates a trader's attitude of submission to the will of God (*pasrah*) in every bad situation

²¹ To a certain extent, this term is sometimes clearly said to be the symbolic expression of good manners. When a debtor can pay his debt on time, he will be proud of it. People often do not see the debt itself as the issue, rather the action of payment as a symbol of a social obligation that is accorded with *adat* as it is called *kato dahulu batapati* (a word given must be kept) (Hakimy Dt. Rajo Penghulu, 1978: 157-158). The action of paying the word, called *manape'i janji* (when you give your word you must keep it).

²² As long as the credit is still ongoing, the "debtor" may apply for another credit to buy more goods from the same trader.

of their business. A cloth trader (Said, 55) who usually practices such a local credit system said:

”by trading with credit in this village (the Tabek Patah village), it is not necessary for me to be strict, rather I always follow local villager’s custom. As long as I do it in such a way, a bad situation that affects on my credit hardly ever happens to me. So far, I have been able to increase my customers. I only notice that many local villagers here like to do business with me...If the bad situation finally happens to me, I can only put my faith in God...”

The combination of doing trade with the use of a rational calculation and faith in God is the most characteristic trait of Minangkabau traders. Traders commonly believe that the final result of their trading is God’s decision. In many cases, religious belief still plays an important role in Minangkabau trade as a whole.²³

F.3. Hidden Competition

Trade activities are not very busy except on market days. This slack period for trading threatens some business that are located at the market place, as experienced by many local restaurant owners (*lapau nasi*) at the Tabek Patah marketplace. Unlike on the main market day, the four local restaurants (*lapau nasi*) are often empty of customers. These slack days bring about a considerable decrease of profit due to lack of customers. Therefore, their expectation of having more customers on the market day, due to the market crowd, is very high.

On the market day, the market crowd actually does not directly bring customers into the *lapau nasi*. One of the owners of a *lapau nasi* observes that many market visitors love to eat at ”a hot food counter under a bamboo shelter” (*kedai nasi bertenda*) that are only available on the great market day, instead of eating in the *lapau nasi*. These food tents offer a various specific and favorable foods, such as *nasi kapau* (*kapau rice*). Considering this visitor habit, she feels unhappy. She thinks that these *kedai nasi bertenda* are her big competitors in business. As she said:

”Most of those *kedai nasi* (the food tents) mostly do not sell fresh-cooked foods. They usually cook their foods a few days before. Sometimes they sell ”old foods” (*samba nan diangekan*) from the leftovers left unsold on days before. So, I think the cooking of those temporary small food tents is not really tasty (*indak*

²³ In comparison with the case of market traders in Roman North Africa, the mechanisms of social controls over the market reflect the dominant ideological system in the society or the religion, instead of the controls being provided by the secular political level (Shaw, 1979:95)

badaceh). In contrast, I always sell fresh dishes everyday, therefore I can guarantee that my cooking is very tasty...”²⁴

Her argument sounded cynical to me. It seems to signify a hidden competition strategy. She tries to spread a certain rumor with the hope that it will tempt many visitors to come to her restaurant. Based on my interview with various owners of food tents, they do not ever sell non freshly-cooked foods that are leftover from days before. According to them, it is quite dangerous to do this.

Based on this contradictory point of view, I see a latent competition between cooked food sellers at the Tabek Patah market. The informant quoted above feels that other cooked food vendors are real competitors who pull her potential customers into their tents. She expects a good chance of having many customers on the main market day. In reality, her expectation does not come true.

In fact, cooked food vendors have no specific strategy of attracting as many as possible customers, such as making a promotion or advertisement etc. In general, they do not do anything to attract many customers to come to them. One persuasive strategy for their customers is telling something negative or spreading slightly rumors about other traders. This is regarded as a form of hidden competition among them. This illustrates another of traders’ characteristic ways of doing business. In this regard, a personal network for mutual help does not come into play.

G. Conclusion

In general, the market circulation functions to serve traders as locations for the establishment of networks. As a matter of fact, the market circulation articulates two kinds of networks, these are, marketing networks (*hubungan dagang*) and networks (*hubungan pribadi*). The former is the network that takes place as a result of trade activities. That the market operates on different days and areas helps traders to build the network for the sake of goods provisions, reduction of trading competition and to maintain profits. Meanwhile, the latter is the kind of social network that is established by virtue of social closeness or in the spirit of Minangkabau relationships. In this sense, the social relationships is put into the frame work of ethnic consciousness of the Minangkabau : ”*samo maraso sebagai urang minang*” (the shared feeling of the Minangkabauness).

²⁴ She made this statement to me as I interviewed her. At that interview, I was having lunch at her restaurant. This shows how is her feeling about the trade competition between local food vendors.

As expressed in many cases, most market actors regard politeness and friendliness as the most important elements of trading within a Minangkabau context. These reflect part of social Minangkabau life. One trader, Mawar (60) expressed it in an *adat* proverb:

Muluik manih, kucindan murah
Lamak diawak, katuju diurang
 (The nice words, the joy of talks
 What we like is what is acceptable to the other)

In general, this proverb means that the social balance is an integral part of successful transaction. The feeling of the Minangkabauness (*urang Minang*) cannot be put aside only in a single sphere of daily life. Doing business, or not, the Minangkabau must put this feeling first in order to maintain relationships.

In many cases, however, the social relationships, maintained by traders at the market places, do not automatically lead to the establishment of a business network. Thus, networks among traders at the marketplace can be characterized by specific process. This can be formulated as follows:

1. The network will be established if an internal competition is not present. In other words, the absence of network reflects the presence of internal competition. Traders do not want to participate in a network with traders who sell similar types of goods, because of competition. Traders do not want to establish a certain network as long as they are involved in trading competition with each other.
2. In many cases, a network is predominantly established in relation to the goal of profit. But, when this goal is not met, the solution is not blamed the mechanism of the network itself, rather an answer is sought in the religious sphere. The final decision on the trading network is based on faith in God (*pasrah*).
3. Hence, the network among Minangkabau traders does not only represent a mode of social or economic action, but also of a religious belief. This is because the formal system of the economy, that protect actors from negative impacts of the network is not available. In this sense, the formal regulation of the economy or of customary law are absent in the operation of business networks. Therefore, the network is quite shaky in practice. The network cannot depend on it as a mean of success in all trade activities.

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