

# Three Ethnographies of Escape via Pyramid Schemes

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Peter S. Cahn, *Direct Sales and Direct Faith in Latin America*. Basingstoke: Palgrave Macmillan, 2011. 206 pp.

Julie V. Chu, *Cosmologies of Credit: Transnational Mobility and the Politics of Destination in China*. Durham: Duke University Press, 2010. 360 pp.

Charles Piot, *Nostalgia for the Future: West Africa After the Cold War*. Chicago: University of Chicago Press, 2010. 216 pp.

Anthropologists have long considered it our duty to explain and defend people who are culturally different from us. This agenda has not been treated kindly by the pace of capitalist transformation. Increasingly, we find ourselves in the position of studying, explaining, and defending people who want to be like us—or at least who want to run around in the same expensive gear that we do. Similar to ourselves, such folk do not wish to be captive to their own cultural traditions. Similar to ourselves, they regard their progenitors as old-fashioned. Worse, their model of improvement is usually the kind of mass consumerism pioneered by North America and Europe. They seem less interested in reproducing their cultural heritage than escaping it. They wish to join the festival of borrowing and splurging which, via global warming, is cooking us off the planet. But they are less worried than we are because they have been captured by hopeful

narratives about how they will be rescued by God, the US, or health food.

Such people...is it still our anthropological duty to defend them? Or in their desire to imitate our own privileged selves, have they just become the latest crop of opportunists? With such questions in mind, let us turn to three ethnographies which carry on the professional credo against mounting odds, but not at the cost of candor. First, the redemptive power of health food—in particular, vitamins. The idea that people can improve their health by consuming large amounts of vitamins dates to 19th century Anglo-Protestant America and its firm belief in science, salesmanship, and self-improvement. Nowadays such nostrums find their most enthusiastic welcome in Mexico where they are propagated by an enterprise called Omnilife Vitamins. And they give good results, for some people at least. In the city of Morelia, an Omnilife wholesaler named Luisa has a higher monthly income than the anthropologist telling her story in *Direct Sales and Direct Faith in Latin America* (Cahn 2011).

Peter Cahn is a student of religion who lately has been applying himself to the religion of capitalism. As he once remarked to me, “capitalism is always magic,” and nowhere is this more evident than in multi-level marketing, the legal version of a pyramid scheme. The genius of multi-level marketing is that the sales force receives a commission, not just for each unit sold, but also for the “downline”—the new tiers of sellers whom the sales force recruits and from whom they also receive a commission for every unit sold. And so the founders of these schemes become evangelists for the boundless possibilities of exponential growth: “The beauty of this system,” Cahn quotes an Amway distributor, “is that you could run hickory nuts through it and it would still work” (2011:51).

In loving detail, Cahn chronicles how Omnilife has become one of the most visible multi-level marketing schemes in Mexico. Its products include a brain supplement called *Optimus* which treats epilepsy and boosts children’s scholastic performance; *Tequilife* which helps alcoholics overcome addiction; *Fem* which removes cysts; and *OmniPlus* which helps HIV+ victims fight off AIDS. Such claims go unchallenged in Mexico, and just about everywhere else, because lobbyists have persuaded governments that vitamins should be classified as nutritional supplements rather than medicines. In a nutritional evaluation of 500 vitamin supplements, Cahn notes, *Omni IV* came in dead last.

Most Omnilife products come in the form of powders which purchasers mix in water and consume in whatever strength, combination, and

frequency strikes their fancy. Some shoot the concoctions into their veins. Omnilife distributors tell stories of miraculous cures in which their elixirs disgorge tumors through body openings. The company argues that its supplements always make you healthier because, if you feel worse after consuming them, it means that the “product has identified a blockage and is working to dislodge it.” If, on the other hand, you feel nothing at all, it “indicat[es] that the problem is deeply rooted” (2011:63). The only other possibility is that you feel better, producing yet another testimony to the placebo effect (“I don’t know what’s in them; I just know they work” [2011:60]).

Success in multi-level marketing requires turning your social networks into marketing networks. What makes this seem okay is your testimony of how Omnilife turned your life around—and how it can turn everyone’s life around. Most Omnilife sellers whom Cahn meets are Catholics, but the parallel to evangelical testimony is obvious. More to the point, given the do-it-yourself quality that Cahn describes, this is a mass-market version of shamanism in which you can ignore medical doctors and become your own healer. The crossover is illustrated by the Thai spirit medium who, according to Rosalind Morris (2000:18), converted his practice into an Amway distribution network. But Omnilife evangelists are also descended from the New England Transcendentalists whose 19th century optimism turned into the bromide “you are what you think” (Cahn 2011:169).

The magic vanishes, Cahn shows, after several levels of product evangelism spread through a population and the newest converts bump into previously reached converts and disbelievers. Here I should mention that my own paradigm, that of escape, is not among Cahn’s intentions. His central research collaborator Luisa has no wish to escape her family, friends, or religion. To the contrary, she is doing a pretty good job of harnessing everyone to her business plan. The only kind of escape she desires is a higher level of consumption.

Inevitably, Luisa discovers that her own earnings have plateaued due to what any bystander would call market saturation. But that is not her explanation because, in the Omnilife recipe for success, any failure to achieve one’s goals is due to a lack of commitment. And so the logic of a financial pyramid requires Luisa to undertake a sales expedition to the supposedly untapped market of Chile. Here, her efforts to recruit new distributors are eclipsed by the campaign of another newly arrived Mexican, an attractive woman who, by stealing an Omnilife founder from his founder-wife,

acquired a big distribution network. It is this woman who now dispenses the most appealing version of the Omnilife plan for health and wealth.

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In Omnilife, escape takes the form of marketing a particular commodity which will unlock the key to more desirable, higher-status commodities such as luxury automobiles and visits to Disneyland. Dream destinations are often how pilgrims in search of higher consumption visualize their quest. Hence Julie Chu's (2010) ethnography of the culture of departure in Fuzhou, China, a journey organized around the unapologetic quest for money in the dreamscape of the US, specifically New York City. Chu opens *Cosmologies of Credit* with a Fuzhounese woman whose bags are packed in the year 2000—and whose bags continue to be packed in succeeding years because she would appear to be delusional, having cashed in her social networks for a financial venture that never materializes.

In the village of Longyan, 49 percent of the population has gone overseas, mainly to the US. This is despite the price of the trip climbing to \$60,000, which means migrants must put themselves and their families deeply in debt in order to migrate. Aside from dreaming of foreign riches—nothing new in this famously mercantile coastal province—the people of Longyan have deep grievances against the Chinese state. Their classification as villagers makes it harder for them to move to cities. The state's insistence on cremating the dead makes it harder to worship their ancestors. And the one-child policy blocks their economic strategy of multiplying the familial workforce.

Because of the well-publicized horrors of spending up to 90 days in a shipping container, legalizing the move to the US has become crucial to the Fuzhounese. One popular strategy consists of fake marriages to Fuzhounese who already have attained legal status—such a deal cost one groom \$62,000. A second strategy consists of applying for tourist visas which requires marshalling phony documentation of one's assets in China. A third strategy consists of applying for political asylum, expedited by American perceptions of China as a ruthless dictatorship.

The disadvantage of this last strategy is that, by claiming fear of individualized persecution, applicants are claiming that they can't go back to China, whereas migrants wish to shuttle back and forth. Political asylum also contradicts the desired narrative of the professional going abroad to further himself and China. Although communist party cadre cluck about

opportunistic migrants breeding progeny for export and profit, they haven't gotten in the way of what has become Longyan's leading industry: the production of migrants. Instead, they try to corner the profits by charging high fees for fraudulent documents and other bureaucratic procedures.

Chu's rich ethnography focuses on the spell cast by capitalist modernity; that is, commodity fetishism and how it is inflected by local cosmologies. She decides against seeking out the local snakeheads or human traffickers "in hopes of avoiding direct involvement and, in turn, problems of complicity" (2010:280). She is so engaged with Longyan's culture of departure that she doesn't tell us much about how its migrants fare in the US. But an equation that Longyanese themselves make—between the quest for dollars and the production of tears—suggests that migration has become quite an opportunity for Fuzhounese to exploit each other. Just deciphering documents from the US embassy has spawned an industry of intermediaries who charge high fees for deciphering the simplest notices.

Consequently, migrants and their families must go deeply in debt, often to Fuzhounese who have preceded them to the US. But in contrast to family-style obligations which are not meant to be repaid, these are monetary obligations which must be paid in full within a certain time frame. Hence the critical obstacle to even more villagers leaving for America: "Even though most people had relatives and friends overseas," Chu reports, "they often did not know anyone with legal status who was in a position to sponsor them and was, moreover, willing to do so with or without some kind of payment" (2010:122).

I take this to mean that Chu's interlocutors were running out of family ties and other social connections that they could monetize into investment capital. In determining one's success or failure, Chu explains, a critical variable is "creditability" (*xinyong*, 2010:123); that is, whether one can be counted upon to pay back loans. The loans are anchored to relatives, thus "eighteen-thousand-dollar sister-in-laws" who have been left behind to either enjoy remittances or manage still-onerous debts (2010:220). One possible outcome is that impossible obligations are dumped on trusting relatives.

Because this is a phenomenon I have found in Guatemalan migration to the US (Stoll 2013), I'm fascinated by Chu's reference to ongoing chains of debt: "There is no denying that most villagers and their overseas relations have become deeply enmeshed in financial debt over the past two decades of mass migration," she mentions.

By the time I was doing research in Longyan, debt had become such a pervasive mediator of social relations that one could hardly find someone in the village...who was not either in the process of securing financing for emigration, paying off loans for past smuggling ventures, or lending funds to others. In fact, it was not at all unusual to find villagers or their overseas relatives simultaneously playing both debtor and creditor, lending money to someone while still paying off a long-standing smuggling debt to someone else. (2010:169)

The implications for the Fuzhounese, China, and the US are not among Chu's objectives, but I wonder if all this indebtedness means that migrants are being snared in debt traps, in which the only way they can make headway against their debts is by transferring these to relatives and new migrants. If so, then migration to the US is functioning like a pyramid scheme, which rewards earlier investors at the expense of later ones even though the business model—the exportation of large numbers of migrants into the US economy—is not a paying proposition, at least for the migrants. Chu does tell us of one migrant who is disillusioned to find himself working for other migrants in an enclave economy—an economy in which employers maintain their competitiveness in the larger US economy by cheating their workers of wages and other legal benefits. If this is the case for many Fuzhounese, I would submit that they are in a debt trap from which the US economy is not likely to rescue them in the near future.

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In Charles Piot's ethnography of escape from Togo, *Nostalgia for the Future* (2010), it would seem that an entire country has signed up for pyramid schemes of one sort or another: remittances from abroad constitute as much as 50 percent of Togo's gross national product. Now that the Internet has captured the imagination of Togo's youth, Piot describes cybercafes which are

filled night and day with people connecting to various elsewhere.... It would not be exaggerating too much to say that everyone in Togo is trying to leave—by playing the lottery, by trying to get into European or American universities, by arranging fictitious marriages with foreigners, by joining churches that might take them abroad, by hoping

to be signed by a European soccer team, by joining the fan club that accompanies the national soccer team overseas. (2010:4)

If escaping from Togo has become a mass fantasy, one contributor is rapid population growth under a state that is too corrupt to turn its ample supplies of cheap labor into economic growth. Piot tells a more interesting story, however. The turning point in Togo's recent history is not national independence from France, he argues, because colonial rule was replaced by a military dictatorship which quickly anchored itself to the foundation of the colonial regime: ethnic chiefs and communal ritual. Instead, Piot submits, the loss of foreign aid and the shrinkage of the dictatorial state have given rise to a fascinating new constellation of hopes.

The new firmament of aspiration includes the stirring promises of human rights discourse transmitted by schoolteachers, the exhortations of pentecostal churches, and the social services provided by non-governmental organizations. All have combined to undermine the authority of chiefs and elders over the young. "Our children began refusing to work for us," an elder laments, "insisting that they too had rights and should be paid for their labor" (2010:125). Without customary forms of mediation, fear of witches has multiplied. So have pentecostal churches. In addition to battling witches, the pentecostals provide appealing new narratives for people whose expectations have outgrown what can be provided by village life and tropical agriculture.

Piot pays considerable attention to pentecostal churches, and with good reason—their spread across Latin America, Asia, and Africa makes them arguably the most popular social movement in the world. As self-supporting institutions led by local men, they backstop parental authority, regulate marriage, and meet a range of other needs. They are most popular among migrants to cities and other zones where the possibility of livelihood beckons. They also allow converts to distance themselves from the obligations of village religion while remaining within its animated categories.

Last but not least, by blaming cultural tradition and personal weakness for reverses, pentecostal churches generate a powerful sense of agency; that is, the conviction that believers can take control of their destiny. And so pentecostal churches generate optimistic narratives about what God wants for an individual, his family, church, and country. Such churches are far from hostile to material accumulation; successful pastors have no compunction about displaying their wealth because wealth is a sign of

the Lord's favor. And so, like Omnilife Vitamins, pentecostal churches are well-adapted to the scramble for higher consumption.

Piot has many stories to tell about pastors and their escapades, but nothing better illustrates the desperate efforts of Togolese to clamber higher on the global economic ladder than the US government's visa lottery. Hoping to obtain the coveted "green card"—that is, a visa with permission to work in the US—the Togolese submitted more lottery applications per capita in 2003 than any other African country. Winners must prove that they have sufficient education and skills to contribute to the US economy, a requirement which the majority cannot meet. Yet winners who pass their interview at the US embassy can bring dependents. So what better source of capital and expertise in this crucial enterprise than Togolese who are already in the US, legally or illegally?

The result is a thriving industry which Piot illustrates through his friend Kodjo. For the 2005 visa lottery, Kodjo signed up more than 1,200 people. Not even charging for filling out the forms, he counted on one percent of his applicants winning the lottery to provide him with an annual income. In 2005, six of his applicants won; he therefore "owned" their dossiers and so could add "dependents"—typically relatives of Togolese émigrés, already in the US, who finance the forging of documents and ask only that the winner bring over their own relatives as his own. As for Kodjo's own emigration strategy, he has sent a winner posing as his wife to an embassy interview no less than three times, only to be foiled each time. In 2008, his strategy was to marry his real fiancé to a winner, send her to the US to get her green card, then have her divorce her husband, return home, and marry him, whereupon they would both proceed to their new home in the US (Piot 2010:80-91).

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What the dreamers in each of these ethnographies share is an optimistic interpretation of capitalism as a marvelous mechanism for getting what you want—something like an adult version of Willy Wonka's Chocolate Factory. But dreamers trapped in disappointing circumstances must first become convinced that they can take charge of their destiny. Interestingly, they obtain their sense of agency by what a structuralist would call "blaming the victim"—themselves—for their plight. It is up to each individual to take charge of his or her fate by, depending on the scheme, acknowledging complicity with witchcraft, a lack of devotion to ancestors, or resistance to



the healing power of vitamins. Once contrition is accomplished, the divine hand of destiny is free to work its wonders.

In each of the three cases, dreamers are also acquiring a sense of agency through the allure of commodity fetishism—the conviction that, in the dreamscape of the US or a big Omnilife distribution network, they will find the satisfaction and meaning so lacking in their current condition. One appealing form of commodification is to turn yourself into a labor commodity—hence the tombstone that Julie Chu found in Longyan, which portrayed the deceased in the same format as his US green card (2010:164). For migrants who do reach their dream destination and find employers willing to buy their labor, the transaction is not of the glamorous kind depicted by television shows. Instead, migrants find themselves in the unregulated basement of capitalism. The dream-quest becomes a deficit-generating enterprise because the economic pilgrim in search of a better life is being paid less than will be needed to recoup his investment.

Extrapolating what I have seen in Guatemala to Julie Chu's Fuzhounese migrants, the deficit is made up by people back home, also in thrall to the dream, who can be induced to borrow money for their own journey to the golden land. They think they will escape their current penury via the magic of commodities. But Cahn, Chu, and Piot's ethnographies suggest that the commodities are fetishes for pyramid-style chains of debt and obligation. Thus the struggle to increase one's level of consumption typically requires passing along inevitable losses—the consequences of smuggling fees, illness, deportation, swindles, and below-subsistence wages—to whoever is gullible enough to accept these in good faith. More often than not, this means stiffing friends and relatives. Just like too many Connecticut mansions and yachts were financed by selling bad investments to buddies, the dream is financed by persuading your near and dear to become vitamin salesmen or join you in Chinatown. ■

#### References:

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