

Minangkabau markets: a picture of an indigenous economic system

Effendi, Nursyirwan

Veröffentlichungsversion / Published Version

Arbeitspapier / working paper

Empfohlene Zitierung / Suggested Citation:

Effendi, N. (1999). *Minangkabau markets: a picture of an indigenous economic system*. (Working Paper / Universität Bielefeld, Fakultät für Soziologie, Forschungsschwerpunkt Entwicklungssoziologie, 312). Bielefeld: Universität Bielefeld, Fak. für Soziologie, Forschungsschwerpunkt Entwicklungssoziologie. <https://nbn-resolving.org/urn:nbn:de:0168-ssoar-422613>

Nutzungsbedingungen:

Dieser Text wird unter einer Deposit-Lizenz (Keine Weiterverbreitung - keine Bearbeitung) zur Verfügung gestellt. Gewährt wird ein nicht exklusives, nicht übertragbares, persönliches und beschränktes Recht auf Nutzung dieses Dokuments. Dieses Dokument ist ausschließlich für den persönlichen, nicht-kommerziellen Gebrauch bestimmt. Auf sämtlichen Kopien dieses Dokuments müssen alle Urheberrechtshinweise und sonstigen Hinweise auf gesetzlichen Schutz beibehalten werden. Sie dürfen dieses Dokument nicht in irgendeiner Weise abändern, noch dürfen Sie dieses Dokument für öffentliche oder kommerzielle Zwecke vervielfältigen, öffentlich ausstellen, aufführen, vertreiben oder anderweitig nutzen.

Mit der Verwendung dieses Dokuments erkennen Sie die Nutzungsbedingungen an.

Terms of use:

This document is made available under Deposit Licence (No Redistribution - no modifications). We grant a non-exclusive, non-transferable, individual and limited right to using this document. This document is solely intended for your personal, non-commercial use. All of the copies of this documents must retain all copyright information and other information regarding legal protection. You are not allowed to alter this document in any way, to copy it for public or commercial purposes, to exhibit the document in public, to perform, distribute or otherwise use the document in public.

By using this particular document, you accept the above-stated conditions of use.



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

Southeast Asia Programm

Working Paper N° 312

Minangkabau Markets: A Picture of an Indigenous Economic System

Nursyirwan Effendi

Bielefeld 1999
ISSN 0936-3408



Minangkabau Markets: A Picture of an Indigenous Economic System¹

Nursyirwan Effendi

Forschungsschwerpunkt Entwicklungssoziologie
Universität Bielefeld

A. Introduction

For most Indonesians the Minangkabau are famous as a society of entrepreneurs. This reputation is mainly based on the Minangkabau involvement in trade (*galeh*) that is carried out within and beyond their own region.² I assume that an understanding of Minangkabau culture refers not only to the Minangkabau social organization based on matrilineal kin groups, or the simultaneous use of *adat* (customary law) and Islamic law, or the dichotomy between the traditions of the highland area (*darek*) and those practiced in the coastal area (*rantau*), and so on, but also refers to an awareness of transformation process expressed in the so-called economic rationality and changes in social morality.

Therefore, description of Minangkabau culture today should not only revolve around a structural discussion of its ideal aspects, but also focus on the practical everyday actions related to economic life that have a great impact on Minangkabau culture. The economic aspects of everyday life, as we shall see, are the most important factors shaping the psychological characteristics of the Minangkabau today.

The paper will discuss the Minangkabau markets and trade that are mainly performed by the local community within the region of origin (*kampung*). The purpose of this paper is to present the markets and trade as the main activity that sustains daily life and as a part of indigenous social organization of the majority of the Minangkabau who mostly

¹ This Paper has been presented at the EUROSEAS conference on 3-6 September, 1998 in Hamburg, Germany.

² The current story of Minangkabau traders operating in areas outside of their own region can be found in the local tabloid "Limbago" published in Padang city in 1996. In many cases, trade outside of their own region is driven by the motivation of migration (*merantau*). We assume that either the migration has the purpose of involvement in the trade in frontier areas, or the involvement in trade in the home region is preparation to migrate. However, Ok-Yun (1996) argues that the migration is not easily carried out unless the migrant is well prepared financially or educationally. In this connection, I assume that trade may be a precondition for migration. The psychological and physical preparation in the home region is an important factor in the process of migration and in its success.

live in rural areas. Hence, this activity reflects the integration of Minangkabau economic organization into the social system.

B. An Indigenous Economic Form: The Rural Market

B.1. Market Types and Market Organization

B.1.a. Basic Meaning

The local marketplaces and trade represent the basis of economic activities of the Minangkabau especially for those who live in rural areas.³ The closeness of the Minangkabau to both activities emphasizes the extent to which economic exchange plays an important role in community life. In fact, both activities also function as expressions of the most typical characteristic of Minangkabau social behavior. This is a strong enthusiasm for developing every possibility for economic gain, while still valuing traditional law (*adat*) highly. For example, the local market organization cannot be separated from the process of *nagari* organization and development (Manggis Dt. Radjo Panghoeloe, 1971: 65).⁴

B.1.b. Terminology

In evidence of how intertwined the market and daily practice are, the Minangkabau refer to the market with local terms, namely, *balai*, *pakan* or *pasa*. In daily life, these terms are used interchangeably. *Balai* is used to refer to the marketplace, but also to the *adat* council hall.⁵ The *balai* is usually located at the center of the *nagari* (the so-called Minangkabau village). Its location invites *nagari* members, as well as people from neighboring communities, to aggregate and engage in the exchange of goods there. Therefore, *balai* is understood as a place of both social encounters and commerce.

The market is also often called *pakan*.⁶ This term conveys the impression that the rural market is held on a weekly basis instead of everyday.⁷ *Pasa*⁸ is another word for

³ For example, the expression of "*pai ka pasa*" or "*pai ka balai*" (go to the market) can often be heard in daily speech.

⁴ Based on governmental regulation of West Sumatra province no.13/1983, paragraph 14, *nagari* properties and assets include the marketplace.

⁵ Many Minangkabau writers who explain Minangkabau customs and tradition (see: Hakimy Dt. Rajo Penghulu, 1978; Manggis Dt. Radjo Panghoeloe, 1971; Hanafiah, 1970, and Datuk Batuah and Datuk Madjoindo, 1956) mention the *balai* in two contexts. In the *nagari* context, it usually refers to the marketplace. Meanwhile, in *adat* context, it refers to the council hall. Based on my experience in the field, this term always means the marketplace.

⁶ In Bahasa Indonesia this term means one week.

market that is also used by the Minangkabau. The term *pasa* is commonly used in the lowland region, rather than in the hilly Minangkabau heartland and usually refers to the markets located in urban areas.

B.1.c. Market Classification

Minangkabau markets are classified informally and formally. The informal classification mainly refers to the local concept of the market. This classification is derived from its temporal and spatial aspects. Meanwhile, the formal classification has to do with governmental legislation and geographic and administrative purposes.

According to the informal classification system of Minangkabau markets, villagers categorize a market as a big one if it is open the whole day. This kind of market is usually called *balai*. Meanwhile, the market is categorized as small if it is open only for half of the day. This type of market is called *balai ambek* (literally meaning the "market that functions to blockade"). Based on the comparison of various *balai ambek* in Tanah datar such as, Situmbuk, Simpang Dadok, or Lubuak Jantan markets,⁹ the term *balai ambek* is quite often given by the market participants, especially traders. Traders, who trade at two markets on the same day, call the first market attended, whatever its size, *balai ambek*, and call the second market, also whatever its size, simply *balai*.

In terms of geo-political location, each *nagari* governs its own territory and includes the marketplace within its organization. Therefore, the Minangkabau call their local market the *nagari* market and usually give it the same name as the *nagari*, for example the Tabek Patah market, the Sungai Tarab market, the Balai Tengah market, and so on.

In terms of the formal classification system (see also Giffen and Chatra 1990; 1996: 171), the rural markets are divided into two main types, type A and type B.¹⁰ Market type A includes rural markets that belong to a single *nagari* or village. Each market is arranged by the market administrator (*penghulu pasar*) who is usually under the authority of a village head. He is appointed because the market is located in the village which he leads. The market administrator has authority over some other officials who occupy certain positions. These are a secretary, a treasurer, market tax (*beo*) collectors, and one or two persons responsible for the maintenance of the marketplace.

⁷ In a certain village, for instance in the Tabek Patah village, villagers there always call the marketplace *pokan* (a dialect variation of *pakan*).

⁸ In Bahasa Indonesia this word is *pasar*, meaning the market.

⁹ All these markets are located in Tanah Datar Regency.

¹⁰ This reference uses the governmental regulation of Tanah Datar Regency No.10/1990.

The head of market administration is subject to the supervision and control of the market commission, which includes the function of the market supervisor, under the leadership of the *adat* council.

Market Type B indicates rural markets that are organized by several *nagari* located in the same district. In this type, the head of the market administration (*penghulu pasar*) is a village head who is appointed because the market is located in the village which he leads. He is accountable to the market commission which is run by a district head. Unlike market type A, in the case of market type B, the *adat* council does not directly supervise the market, but rather has the role of a consultative board. Even though the market is owned by a group of *nagari*, the *adat* councils of these *nagari* have no direct power to organize their market, because this role has been taken over by the district government .

In addition to these common market types, there is yet another market type, type C. This market is usually classified as the city market. This market is directly controlled by government on the regency level. Only one market of this type exists and is located in Batusangkar city in Tanah Datar regency. This market is called *Pasar Serikat Batusangkar*. From another perspective, Giffen and Chatra (1996:171) have noted that, besides these three types, there are some other categories of market: the village market (*pasar desa*) and governmental market (*pasar inpres*). This classification is based on the ownership of the land where the market is held.

Table 1. Distribution of Official Markets Types in each District of Tanah Datar Regency

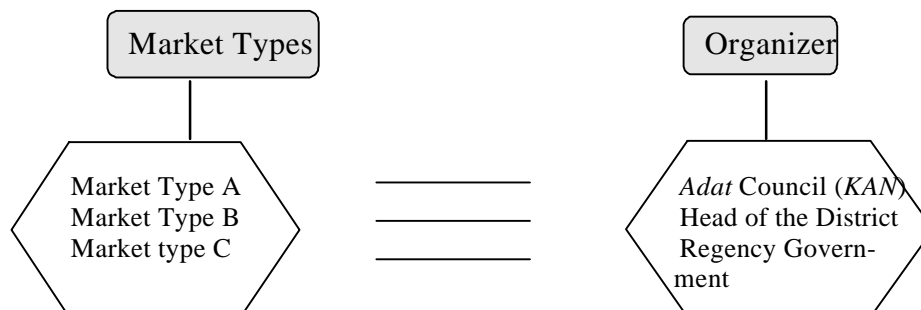
Districts	Number of Market Type A	Numbers of Market Type B	Number of Market Type C
X Koto	3	-	-
Batipuh	3	4	-
Rambatan	4	1	-
Tanjung Emas	2	1	-
Padang Ganting*	4	-	-
Lintau Buo	3	3	-
Sungayang	1	2	-
Sungai Tarap	3	-	-
Pariangan	-	1	-
Salimpaung	6	-	-
Lima Kaum	-	-	1
Total	29	11	1

* The new district split from Tanjung Emas District in 1994

Source: Own Data, 1996

To see the general picture of the organization of marketplaces, see diagram below:

Diagram 1. The General Picture of Market Organization in Tanah Datar Regency
(Taken from The Government Regulations for Tanah Datar Regency No.10/1990)



C. The Market Actors

Looking at all of the roles of the various actors involved in the rural markets, it is misleading to assume that the Minangkabau market is merely a site where trading takes place. The marketplaces, most importantly, represent a system of social relationships that is revealed in the variety of transactions carried out by market participants. At the marketplaces we can also observe the form of and operation of social networks. In this context, people can be seen to engage in economic relations through the social mechanism of the market (see Johnson, 1995:164). The following groups of actors are generally involved in the market activity everyday.¹¹

1. Peasants, as well as villagers.
2. Middlemen (*kalene*).
3. Traders.
4. Shopkeepers.
5. Service providers such as drivers of public transport vehicles, traditional hair cutters, blacksmiths.
6. Local entrepreneur.
7. Formal 'beggars'.
8. Local transportation arrangers.
9. Market administrators, and tax collectors.
10. Market supervisors as well as *adat* leaders.
11. Police and army members.

In this paper, I will only explore the roles of three main market actors, namely, peasants and villagers, middlemen, and traders.

¹¹ This list of market actors is based on the cases of the Tabek Patah market in Salimpaung district and Sungai Tarab market in Sungai Tarab district, both in Tanah Datar regency.

C.1. Peasants and Villagers

Peasants, the majority of Minangkabau villagers, can be seen as people whose life is closely intertwined with the marketplace. This is true, because the main market function is to provide an outlet for agricultural products. Through the local market, peasants obtain the cash that they need to live. Akira Oki stresses that the Minangkabau have been long involved in the market economy or commercialization, at least since the beginning of the colonial era in what is now Indonesia (Oki, 1977, see also Manan 1995). As a result, Minangkabau villagers are quite familiar with the operation of the market principle in the local setting.

This Minangkabau involvement in the market mechanism should be seen from two perspectives. Peasants are the object, but at the same time, they are the subject of the market. In the first view, peasants have become the main target of the flow of inter local goods¹², and the "victim" of price oscillations. Peasants can not simply market their produce without experiencing the penetration of inter local commodities, and the external forces setting prices. They are dependent on a few powerful local market actors, such as middlemen and distributors of agricultural products, but also on the larger marketing system.

On the other hand, fortunately, they have the freedom to sell their own products, and no external agent determines what they have to cultivate and produce.¹³ In this context, the peasant can be an independent producer. But, the sale of these products does not generate enough income for them to live on, because they are forced to rely on the other to sell their crops at all.

This factor contributes to the self-maintenance orientation of the Minangkabau peasants' life today. This is related to the growing tendency toward economic rationality in the local community which is reflected by the influence of the market principle in

¹² This is my own term. This term refers to the flow of various commodities, produced in various locations or villages, that are encountered at one marketplace. The flow of commodities occurs because of the role of traveling traders and a number of middlemen who bring commodities from one locality to another. This situation is sustained by a number of villages in Minangkabau world that specialize in the production of certain agricultural products. This presence of inter local goods often causes a low demand for similar products that are locally produced. Thus, villagers know some products from their origin or the villages where they are produced, for example the sugar cane from Tabek Patah village, or, of the Pato village, the coconut from Belimbing village, the baskets from the Kandang Malabuang village, and so on.

¹³ This was entirely different when Minangkabau peasants experienced the forced delivery system (*Kultuurstelsel*) under Dutch colonial rule from 1847-1908. They were forced to cultivate coffee and other commercial crops to the advantage of international trade. Then they had to deliver the produce at a very low fixed price (Oki, 1977:34-35). They also became a target of the institution of corvee labor (Abdullah, 1972; Kato, 1982).

promoting pragmatic and temporary social ties. As a result of this orientation, the traditional culture, in this case *adat*, is being called into question.

C. 2. Middlemen or Distributors

To a certain extent, peasants may facilitate middlemen or distributors in their playing of a significant economic role at the local marketplace. The daily transactions are carried out between peasants, who bring their agricultural or other home-made products to the market, and middlemen or distributors, who are always present at the marketplace. Middlemen or distributors need the local products for the larger trade chain within and beyond the province of West Sumatra. Their business depends profoundly on the agricultural harvests. Middlemen or distributors play a minor role in agricultural production itself, but their trade is heavily influenced by the fluctuation in harvests. In fact, they always play a major role in dealing with peasants especially in regard to the price setting. The middleman is the actor who determines the prices.

The middlemen also often practice a secret strategy for setting prices. In other words, villagers are generally kept blind by middlemen about the current prices of produce. As a result, the official price that has been set by government regulations is not operational in the local setting.¹⁴ The problem of oscillating prices, set arbitrarily by middlemen (as well as traders) at the village level, represents the villagers' dilemma today. On the one hand, they need middlemen to buy their agricultural products as soon as possible in order to get the cash they need. On the other hand, villagers do not like middlemen because they always set the prices to their own advantage. At this point, the peasants exercise double standards in establishing social relationships with the middlemen. In the social sphere they conduct friendly relations with middlemen, but not in the economic sphere.

C. 3. Traders

Even though the peasants, or in this sense the villagers, face a dilemma dealing with middlemen, their need to earn cash on each market day is very crucial. They need money to buy daily necessities and other items of daily consumption. Seen from this

¹⁴ The prices of various agricultural products are officially broadcast following the national news on the Radio of the Indonesian Republic (*RRI*) every night.

perspective, the traders are very important. Traders play a positive role as the providers of what peasants need along with their arbitrary power to set prices, sometimes unfairly. From the traders' perspective, their own situation also looks unstable. On the one hand, traders may be dominant in relation to their customers, but on the other hand, they are strongly dependent on the peasants' ability to produce and on peasant's spending power in general.

As long as peasants are relatively successful in producing their agricultural commodities, which are sold at the marketplace on one day, traders can depend on their purchasing power. This means that traders have the opportunity to sell as many goods as possible. The situation can change dramatically when peasants' incomes have tumbled because of a bad season or as a result of being oppressed by middlemen who pay too little for produce. This situation automatically cripples peasants in their ability to spend cash for necessary goods, and result in a low demand for trader's goods, and thus threatens the traders' business in general. As a result of this situation, we often find traders complaining about the very low purchasing power of peasants. Traders may find the markets crowded with people but transactions can be very minimal, or almost non-existent. This is a form of "the trader's dilemma" which is faced by the majority of Minangkabau traders. This situation may enrich the discussion of the trader's dilemma as presented by Evers and Schrader (1994).

This situation described above means that traders neither measure the market by its size nor from its number of visitors, but rather by the rate of transactions going on the market day. In fact, based on my study, they are unable to calculate in numbers the frequency of their transactions. They can only say the term *pacah talua*, which literally means: "an egg has broken". This means that, for every day of trading, traders have a precise idea of how much they have to sell in order to break even. The first transaction in the daily trading is regarded a start of potential profit. This is referred to with the same term as indicated above. After this point, they do not calculate the result of one day's trading, but only say that they have achieved "a broken egg" (*pacah talua*) or that they have made a certain amount of profit.

The so-called dilemma of the Minangkabau traders described above is overcome by their establishing as many social relationships as possible with customers. In this way, they hope to keep a certain number of permanent customers.

D. The Market and *Nagari*

D.1. The *Nagari*

Basically, the *nagari* is defined as an autonomous territorial unit (Josselin de Jong, 1952, Abdullah, 1966, 1972, Gunawan Mitchel 1969, Oki, 1977, Kahn 1980). Specifically, a *nagari* governs its own territories, which consist of several settlement areas or *Koto*. In addition, each *nagari* has own community and system of governance under its own customary law (Manggis Dt. Radjo Panghoeloe, 1971; Hanafiah, 1970, Manan 1995). Because of this strongly autonomous character, the *nagari* has often been called "a village republic", because the community is geographically discrete, largely endogamous and self-governing (Chadwick, 1991: 47).

According to tradition, the *nagari* should possess certain facilities. These include a road system, a public bathing place, a council hall, a mosque, and an open field for amusement and sport (Kato, 1982 quoted from Datoe' Sanggoeno Di Radjo, 1919; see also Hanafiah 1970). Politically, the *nagari* should reflect a certain political tradition, either the *Koto Piliang* system or the *Bodi Caniago* system¹⁵. But, as a matter of fact, many *nagari* combine both these political traditions (Datuk Batuah and Datuk Madjoindo, 1956:38).

In terms of social organization, the *nagari* consists mainly of different levels and units of matrilineal groupings (Josselin de Jong 1952, Hanafiah, 1970, Kato, 1982, Manan 1995). These are *suku* (clan), *kaum* (lineage), and *paruik* or *samande* (sub-lineage). These groupings may be divided differently and called by different terms in some *nagaris* (see Josselin de Jong 1952, Benda-Beckmann, 1979; Kato, 1982). Each *nagari* should have economic resources such as land, fields and forests that are inherited and maintained by the matrilineal lineages (Hanafiah, 1970: 28).

Every *nagari* in the Minangkabau territory has own particular *adat* (customary law), called *adat salingka nagari* (the *adat* that is only valid within the *nagari*). This is expressed in an *adat* proverb (LKAAM, 1996: 2):

¹⁵ Based on the Tambo (stories of the old times or traditional Minangkabau history), the Koto Piliang political system was established by Datuk Katumanggungan. This system has an aristocratic character in which the *nagari* government was centralized into three kings (*Raja*). These are the Pagaruyung King who is the highest king. Second is the Buo King who was also called the *adat* (customary law) king, and the last is the Sumpur kudas King who is also called the *ibadat* (religious) king. In contrast, the Bodi Caniago system has a democratic character. The members of the governmental council are all on a similar level, as expressed in the proverb: *duduk sama rendah, tegak sama tinggi* (by sitting all are low, by standing all are high) (Datuk Batuah and Datuk Madjoindo, 1956; Hanafiah, 1970: 29-32, Kato 1982:35-36).

*lain lubuk lain ikan,
lain padang, lain belalang,
lain nagari lain adatnyo*
(different ponds have different fishes,
different fields have different grasshoppers,
Therefore, each *nagari* has its own customary law)

This proverb simply emphasizes that different *nagari* have different traditions. This results in their specific social rules regulating various social institutions such as marriage, land ownership, organization of economic resources and the general social characteristics of each *nagari* community. To put it another way, in spite of the fact that the Minangkabau are classified as a single ethnic group, on a deeper level there are various Minangkabau cultural traditions that distinguish one *nagari* from another. They constitute a sub-cultural differentiation among the Minangkabau themselves. As seen from the outside all the Minangkabau are similar, but as seen from inside they are different (Radjab, 1969: 12-19). The specific character of each *nagari*, and its own organization of social, political and economic aspects play an important role in shaping the distinctive character of the individual *nagari* communities.

Finally, each *nagari* maintains three main things. Firstly, because the *nagari* is a territorial unit, it holds land that constitutes its boundaries with the surrounding *nagari* and is seen as ancestral and communal property (*harta pusaka*). Secondly, as a result of being a distinct social unit, the *nagari* has its own social structure based on matrilineal kin ties. Thirdly, because it is an economic unit, the *nagari* has a collection of assets that are supposed to provide a source of income and that can be used to pay for *nagari* expenditures.

D.2. The Market

Considering the role of the market in the *nagari*, it should be placed in the context of the land system. Traditionally, land in the *nagari* is classified into two types *hutan tinggi* or *pusako tinggi* (uncultivated land) and *hutan rendah* or *pusako randah* (cultivated land) (Kato, 1982: 55; Manan, 1955).

Kato noted that land is actually only one of the Minangkabau ancestral properties (*harato pusako*).¹⁶ Land is, however, very crucial in economic terms (Kato, 1982: 56).

¹⁶ These ancestral properties also include livestock (cattle), houses, fishponds, heirlooms and *adat* titles (*gala*).

All land situated in a single *nagari* was initially part of the ancestral properties belonging to the *nagari*. These lands are, then, distributed for use among the members of the *nagari* community. In each *nagari*, there is land that is always held and used by the *nagari* itself and cannot be distributed among the members *nagari* community. The use of this land is completely under the supervision of the *adat* council in accordance with customary law. This type of land is usually used by the *nagari* for particular economic purposes, such as the establishment of the marketplace, the development of the *nagari* forest and so on. Use of this land is the source of *nagari* income.

The use of a piece of land as a marketplace is one of the main ways of generating income for the *nagari*, besides some other sources of income. Traditionally, some other sources of *nagari* income are the forest tax, land tax, market tax, fines, religious alms (*zakat* or *wakaf*), and *nagari* community members' contributions (Oki, 1977, Manan 1995). In another source, various sources of *nagari* income are officially stated and classified (LKAAM, 1996:70):

1. Self-generated income that is derived from *nagari* assets.
2. Financial contribution of *nagari* migrants (*perantau*) or remittance.
3. Contributions of local government at the village level.
4. Contribution of local as well as central Governments.
5. *Adat* money.
6. Other sources of income that are regarded as lawful.

This is clear that the establishment of the marketplace is only one of the *nagari*'s efforts to generate income.

Looking at the land system, the market is usually located on ancestral communal land. This clearly indicates that the market always belong to the *nagari*. Therefore, the market will be set up by the *adat* council because the various beneficial activities, held on *nagari* land, must have the consent of the *adat* council. The position of the marketplace in the *nagari* is sustained by a legally binding statement in the Governor's Regulation of West Sumatra Province:

"In accordance with the Governor's Regulation of West Sumatra Province no. 103/GSB/1985 the market commission is the only board that carries out the *nagari* market arrangements and at the same time that should be responsible in its works to the *adat* council (*KAN*). The market commission has a right of market tax collection, that is to be collected from rents of shops, kiosks, market

hall. The money then should be submitted to *adat* council, after having 10% subtracted from the taxes collected for wages” (my translation).¹⁷

Thus, every *nagari* has the political right to make the marketplace a major source of steady income for itself. The basic goal of *nagari* politics is also to make local laws that maximize the income from the marketplace, through setting the amount of market tax, collecting rents for sections of the market land, etc.

D.3. The Position of The Market in *Nagari* Politics

The *nagari* level of local government is represented by the role of clan leaders (*penghulu*) who are organized into the *adat* council (*KAN*). In relation to the market, this body represents the authorized market commission or market board (*komisi pasar*). The board has rights of control over the market activities to the benefit of the *nagari* community. This board has also a full right to set the amount of market tax, to levy it, and then to use the money collected without having to report this avenue to government officials at the village or district level.

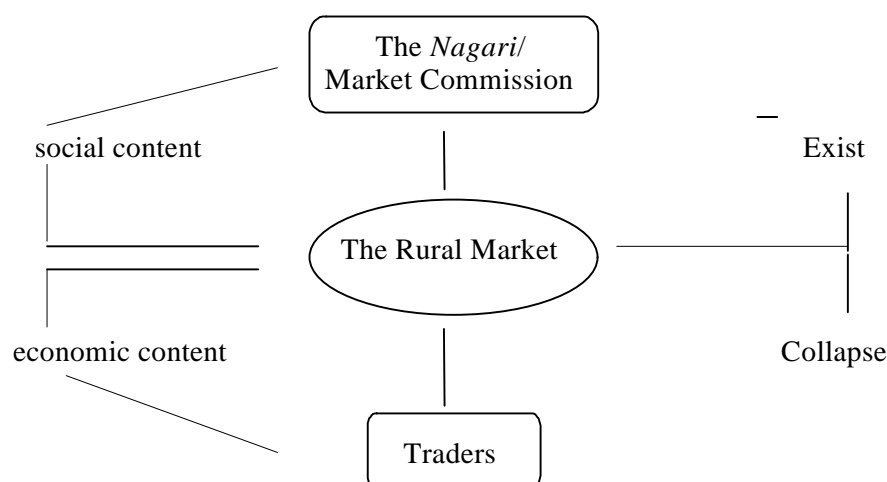
In the Minangkabau context, the *nagari* do not function as the agent of a local capitalist class or any other economic system. Rather, the *nagari* is an indigenous institution that has social control over temporary local ”capitalists”, a role played by local traders and mostly by middlemen (*tengkulak*). The middlemen have a monopoly over the distribution of some locally produced commodities and quite often pay unfair prices for agricultural produce. In this sense, the *nagari* is an objective body that functions to balance the contradiction between rationality and morality in trade at the market place.

The reason why the *nagari* can represent the communal interests in the economic sphere is because the *nagari* leaders are aware of the market’s role in the peasant community. This awareness represents the important element of ”social embeddedness” in the context of the rural market economy (see Polanyi, 1957; Granovetter, 1985, Plattner, 1989). The nature of the rural market is mainly influenced by the *nagari*, traders and the local community. The market would simply collapse if people were not interested in operating and participating in it. What happens in the market is always

¹⁷ ”Dengan Surat Keputusan Gubernur Kepala Daerah Tingkat I Sumatera Barat no. 103/GSB/1985 ditetapkan bahwa yang akan mengelola Pasar Nagari adalah Komisi Pasar yang harus bertanggung jawab kepada Kerapatan Adat Nagari (KAN). Komisi Pasar memungut sewa pasar, sewa kedai, sewa kios dan los, yang setelah dikurangi 10% sebagai upah pungut, diserahkan kepada Kerapatan Adat Nagari.”

linked to the local community. For example, the local market is influenced by social problems.¹⁸ Every problem that may affect the market's existence will be discussed by the market commission in order to solve it. Thus, there is an indication that the *nagari*, a purely local institution is, to a large extent, in charge of maintaining peasant market's existence. The market's existence does not merely depend upon its commercial activities, but also on the way the *nagari* handles everyday social situations at the marketplace.

Diagram 2. The Zone of Interaction in Market



This scheme shows more or less how the market is apparently a zone of interaction of two important institutions (the *nagari*, as the market commission; and the traders as the main market actors) that have different motivations but similar goals. Their encounter determines if the market itself survives or collapses.

¹⁸ During field research, I observed an event where a woman lost her money at one rural market. The amount was Rp.400,000,-(US\$ 200 based on the calculation in 1996/1997). She, and other market visitors there, assumed that a pickpocket took her money. She intended to use the money to buy a large amount of various foods, necessary for the preparation of wedding party for her daughter a few days later. Losing her money made her very sad and she acted like a mad person, loudly crying, screaming and running back and forth at the marketplace. She could not believe or accept what had just happened to her. This event, then, became a major story talked about for weeks at this market. The negative event spread out to the local community. Since then, the news has spread that this market is not safe for shopping.

E. Market Circulation: The Basic Pattern of The Rural Market System

E.1. Market Days and Places

The main factor to observe about the market system in Minangkabau contexts is the pattern of market days and places. Days are calculated in reference to a weekly plan (*pakan*), which is used as the basic time cycle for the whole circulation. The places are understood as locations where the market takes place at the various *nagari*.

Table 2. Market Circulation According to Market Days in Each District

No.	Districts	Area Size (km ²)	Market Days (Periodicity)	Number of Market Days
1.	X Koto	152.2	Tuesday, Wednesday, Sunday	3
2.	Batipuh	227.08	Monday, Tuesday, Wednesday, Thursday, Sunday.	5
3.	Rambatan	129.15	Monday, Tuesday, Wednesday, Friday, Saturday, Sunday	6
4.	Tanjung Emas/ Padang Ganting	195.55	Monday, Wednesday, Friday, Saturday, Sunday	5
5.	Lintau Buo	264.45	Tuesday, Wednesday, Thursday, Friday, Saturday and Sunday	6
6.	Sungayang	65.45	Monday, Friday	2
7.	Sungai Tarap	71.85	Wednesday, Saturday	2
8.	Pariangan	76.43	Monday	1
9.	Salimpaung	104.02	Monday, Tuesday, Thursday, Friday, Saturday, Sunday	6
10.	Lima Kaum	50.00	Thursday	1

Source: *Tanah Datar Dalam Angka*, 1994 (Statistical Book of Tanah Datar Regency, 1994) and Own Data, 1996.

The table above indicates that the market circulation has nothing to do with the size of certain areas and the number of market days in each district. One might already assume that the larger the size of the area is, the higher the number of markets and market days held there would be in order to fulfill the needs of the people living in the remote and scattered region. In fact, the effect of market circulation, based on the different market days, is to distribute economic activities in a regular and equitable way throughout region (see Alexander, 1987).

E.2. Distribution of Markets visited by Traders in one Week

The main market actor who makes the market circulation possible is the *pedagang babelok* (the traveling trader).¹⁹ From 199 traders interviewed at Tabek Patah and Balai Tengah markets, 77.4 % have the status of the *babelok*. With the *babelok* style of trade, traders can determine the trade schedule and attend different market places in various *nagari* or village. The decision whether to work or not on a certain day, is a highly subjective and conditional decision. However, these traders are informally committed to attending those markets that they usually trade at.²⁰

Hence, we can observe a tendency for trade and market day oscillation within certain periods of time. If we look from the perspective of a single market day at a certain marketplace, i.e. the case of Tabek Patah market and Balai Tengah market, we see a tendency for one single market day to be the major market day for most traders. Meanwhile, on the other days, most traders tend to reduce their activities. They all generally avoid trading before and after the main market day of the week. They decrease their activity to two days of trading and then increase it again, as shown in the following tables and graphs. The first table and graph are based on the traders' point of view at Tabek Patah market, where Monday is regarded as the main market day. The second table is based on the traders' point of view in at Balai Tengah market, where Thursday is the main market day.

¹⁹ *Babelok* derives from two words, *ba* is a verb describing a certain action and *belok* denotes an action which means to turn or move around. This term is well known in many areas of the Minangkabau highlands (see also Kahn, 1980:115).

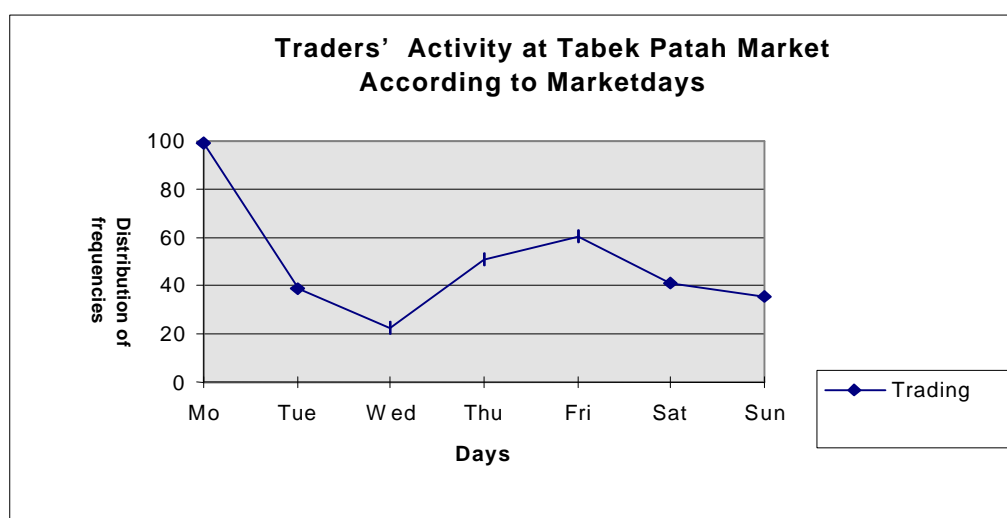
²⁰ Traders and villagers, in this sense the market visitors, have a kind of shared moral commitment to keep a certain marketplace running. Traders need villagers to be their customers. Meanwhile, villagers need traders to come to their market regularly. With this consciousness of interdependent and mutual benefit, then they are tied socially. This is quite different in the context of relationships in so-called capitalistic market, where relations between traders and buyers are very impersonal. It appears that no moral obligation must be considered when carrying out trade.

Table 3. Distribution of Traders Present at Tabek Patah Market According to Trade Days in one Week

Tabek Patah Market n= 99			
Days	Going to Trade (%)	Not Going to Trade (%)	Total
Monday	99	1	100
Tuesday	39	61	100
Wednesday	22.2	77.8	100
Thursday	50.5	49.5	100
Friday	60.6	39.4	100
Saturday	41.4	58.6	100
Sunday	35.4	64.6	100

Source: Own Data, 1996

To interpret the table above, see the following graph that gives a clearer picture of patterns of trade oscillation practiced by the traders at Tabek Patah market.



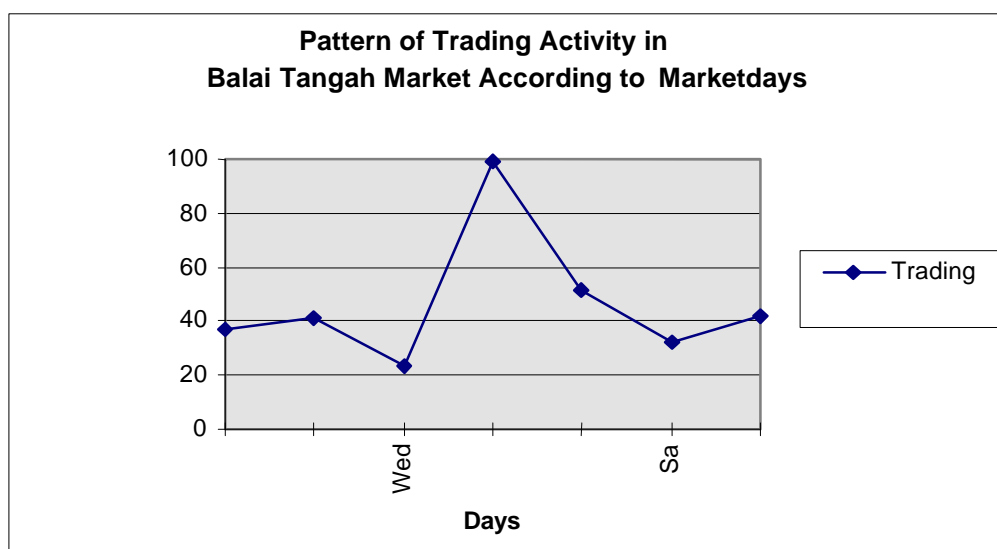
The second table below shows the distribution of trade among traders at Balai Tengah market.

Table 4. Distribution of Trading Activity at Balai Tengah Market according to Trade Days in one Week

Tabek Patah Market n= 99			
Days	Going to Trade (%)	Not Going to Trade (%)	Total
Monday	37	63	100
Tuesday	41	59	100
Wednesday	23	77	100
Thursday	99	1	100
Friday	52	48	100
Saturday	32	68	100
Sunday	42	58	100

Source: Own Data, 1996

The graph below gives a clearer picture of the distribution in the table above.



As indicated in both of the graphs above, one day each week is treated by traders as the starting point of the market circulation as well as of their traveling trade. Taking a look at the days which follows, we can see the tendency of traders to minimize their trade days. Seen from another perspective, one day before the main trade day, most traders seem to decrease their trading activities. According to traders interviewed at Balai Tengah, Wednesday is regarded as the day not to go trading as was indicated by the traders interviewed at Tabek Patah market as well. For them, the main trade

occasion requires preparation of materials. Based on both views, we may argue that the market circulation, to certain point, is created by the traders variation of their trade days. As the case of the Tabek Patah market shows, Monday is regarded as the main market day, while it is Thursday at the Balai Tengah market.

E.3. The Possibility of Making a Profit: The Grounds for *babelok*

By practicing *babelok*, traders have more possibilities to make a good profit on every market they attend. By anticipating the fluctuation of the market crowd present at each marketplace, they can calculate their profit. They are very conscious that different marketplaces can present opportunities for profit. One of the most important factors is the different crowds present at each market. Traders are very concerned with these crowd differences, related to the various circumstances affecting the buying power of market customers (*kuek mambali*), customer relationships (*langganan*), and the commodities to be sold out (*laku*). To put it another way, losses suffered at one marketplace may be recovered at other marketplaces. Therefore, one strategy they use to avoid lost profits is to charge different prices for commodities sold at various marketplaces. One respondent said (Az, 33):

”Usually nobody knows the capital (*pokok*) we have, therefore it is easy for me to set my own prices. As I see it, trade is only partially of a consensus (*kato jadi*) between a trader and a buyer. If the buyer agrees with the price I set then he or she will buy my things, if he/she does not, that means trade does not happen (*indak jadi*). This is no problem for me at all. However, my basic rule is to not sell my capital (*tajua pokok*)...”

Table 5. Motives for *Babelok* Trade given by Traders at Tabek Patah And Balai Tengah Markets

Tabek Patah Market n=99			Balai Tengah Market n=100	
No.	Reason Categories	f	Reason Categories	f
1.	Profitable, because many commodities can be sold	51.5	Profitable, because many commodities can be sold	42
2.	Profitable, because many buyers come	33	Profitable, because many buyers come	32
3.	Not profitable, because of changing buying power of customers.	0.4	Not profitable, because of changing buying power of customers.	1
4.	Not profitable because <i>babelok</i> is exhausting works	3	Not profitable because <i>babelok</i> is exhausting works	3
5.	Uncertain profit, sometimes loss, sometimes not.	3	Uncertain profit, sometimes loss, sometimes not.	6
6.	Prefer to trade daily	1	Prefer to trade daily	1
7.	Not relevant	8.1	No difference from <i>babelok</i>	2
8.			No comment	1
9.			Not relevant	12
	Amount	100	Amount	100

Source: Own Data, 1996

F. Conclusion

The strong involvement of the Minangkabau in market and trade constitutes a practical method of maintaining local social organization. This means that the position of the market place in the local community is crucial in maintaining and developing the *nagari*. This can be demonstrated by the role of market actors and of *nagari* in operating the marketplace. This view shows how the enthusiastic involvement in the market economy is supported by the traditions of the local community.

The organization of the Minangkabau market clearly depicts how the local community maintaining pattern of social life through its involvement in market and trade. This observation, most importantly, enriches the understanding of the economic embeddedness of market and trade in the local community.

By dealing with the phenomena of market and trade as integral parts of the social rhythm of the peasant community, we show how indicate the principle of market economy cannot be separated from an understanding of Minangkabau culture.

Bibliography

- Alexander, Jennifer
1987 *Trade, Traders and Trading in Rural Java*. New York: Oxford University Press
- Abdullah, Taufik
1966 "Adat and Islam: An Examination of Conflict in Minangkabau". *Indonesia*, No.2 (October), 1-24
1967 "Modernization in The Minangkabau World". In Claire Holt (ed.). *Culture and Politics in Indonesia*. Ithaca and London: Cornell University Press. 179 - 245
- Bappeda Tanah Datar
1994 *Buku Statistik Kabupaten Tanah Datar 1994*. (The Statistical Book of Tanah Datar Regency)
1995 *Profil Daerah Kabupaten Dati II Tanah Datar*. Batusangkar
- Benda-Beckmann, Franz von
1979 *Property In Social Continuity: Continuity and Change in The Maintenance of Property relationships Through Time in Minangkabau, West Sumatra*. The Hague: Martinus Nijhoff
- Chadwick, R.J.
1991 "Matrilineal Inheritance and Migration in A Minangkabau Community". *Indonesia*, 51. April. Cornell University
- Datuk Batuah, Ahmad and Datuk Madjoindo
1956 *Tambo Minangkabau dan adatnya*. Djakarta: Balai Pustaka
- Evers, Hans-Dieter and Heiko Schrader (eds.)
1990 *The Moral Economy of Trade: Ethnicity and Developing Markets*. London: Routledge
- Friedland, Roger and A.F. Robertson (eds.)
1990 *Beyond The Marketplace: Rethinking Economy and Society*. New York: Aldine de Gruyter
- Gana, J.A.
1979 "Markets and Marketing in Nupeland, Nigeria." Smith, Robert H.T. and Erdmann Gormsen, *Market-Place Exchange: Spatial Analysis and Policy*. Geographisches Institut der Johannes-Gutenberg: Unversität Mainz
- Giffen, F. van and Emeraldy Chatra
1990 *Pasar-Pasar di Kabupaten Tanah Datar*. Fakultas sastra dan Ilmu Sosial. Survey Report
1996 "Wanita di Pasar Minangkabau". In Alfian Miko and Asmawi (eds.) *Wanita Di Sumatera Barat*. Padang: Lembaga Penelitian Universitas Andalas
- Granovetter, Mark
1985 "Economic Action and Social Structure: The Problem of Embeddedness." *American Journal of Sociology*. 91:481-510
- Gunawan Mitchel, Istutiah
1969 "The Socio-Cultural Environment and Mental Disturbance: Three Minangkabau Case Histories ". *Indonesia*, 51. April. Cornell University

- Hakimy Dt. Rajo Penghulu, Idrus
1978 *Pokok-Pokok Pengetahuan Adat Alam Minangkabau*. Bandung: CV Rosda
- Hanafiah
1970 *Tinjauan Adat Minangkabau*. Djakarta: Yayasan Penerbit dan Percetakan IDI
- Johnson, Allan G.
1995 *Dictionary of Sociology*. Blackwell: Cambridge
- Josselin de Jong, P.E. de
1952 *Minangkabau and Negri Sembilan: Socio-Political Structure in Indonesia*. Martinus Nijhoff: The Hague
- Kahn, Joel S.
1980 *Minangkabau Social Formations: Indonesian Peasant and The World Economy*. Cambridge: Cambridge University Press
- Kato, Tsuyoshi
1982 *Matriliny and Migration: Evolving Minangkabau Traditions in Indonesia*. Cornell University Press: Ithaca and London
- LKAAM Lintau Buo
1996 *Lintau Buo Membangun*. Padang: PT Media Alam Lestari
- Manan, Imran
1995 *Birokrasi Moderen dan Otoritas Traditional Di Minangkabau*. Padang: Yayasan Pengkajian Kebudayaan Minangkabau
- Manggis Dt. Radjo Panghoeloe, M. Rasjid
1971 *Minangkabau Sedjarah Ringkas dan Adatnya*. Padang: SriDharma
- Ok-Yun, Pak
1996 "Resourcefulness Without Resources: The Life History of A Landless Minangkabau Village Woman". *Southeast Asian Journal of Social Science*. Volume 24. Number 1. P. 97-111
- Oki, Akira
1977 *Social Change in The West Sumatran Village: 1908-1945*. Ph.D. Dissertation, The Australian National University
- Pemda Sumatera Barat
1983 *Peraturan Daerah Propinsi Sumatra Barat*. Padang
- Plattner, Stuart
1989 "Introduction." In Stuart Plattner (ed). *Economic Anthropology*. Stanford University Press: Stanford, California
- Polanyi, Karl
1957 *The Great Transformation*. Boston: Beacon
- Radjab, Muhammad
1969 *Sistem Kekerabatan Di Minangkabau*. Padang: Center For Minangkabau Studies Press
- Schweizer, Günther
1985 "Social Economic Change in The Rural Distribution System: Weekly Market in Yemen Arab Republic." Pridham, B.R. (ed). *Economy, Society and Culture in Contemporary Yemen*. London: Croom Helm
- Newspaper:
□ *Limbago* (1996). Padang Tabloid. Second Edition
- Document:
□ (Trans: Tanah Datar Regency, 1990: The regulation of Tanah Datar Regency No.10/1990) *Peraturan Daerah No.10/1990*