Beyond Annapurna or How to Interpret Success in Himalayan Trade

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Early June 1950, Major Bill Tilman entered the remote Himalayan valley of Nyishang in North Central Nepal. As a member of a British reconnaissance party beyond the Annapurna massif, he was one of the first Europeans to meet the Nyishangba of Manang in their home villages. Expecting an unspoilt world to unfold before his eyes, he found instead a near-cosmopolitan population, well versed in the intricacies of modern trade and travel. Attempting to photograph one of the local inhabitants, a villager retorted by whipping out a camera himself.

Taking the Nyishangba of Manang as an example, this essay seeks to answer the question as to why a high-mountain population group living in a remote Himalayan valley has succeeded so well in establishing a trade network covering large parts of South and Southeast Asia, and for over a century.

What then is the story of the Nyishangba? Broadly speaking it has been the struggle for survival by an ethnic group covering some 6000 souls in a high-altitude environment that does not allow for a year-round agricultural subsistence. It seems likely that from the beginning of settlement in Nyishang, there evolved an extra-territorial component in the livelihood strategies of its inhabitants. The practice of travelling southwards to the middle hills of Nepal during wintertime to trade local products like medicinal herbs, skins and musk against rice and barley, did allow the Nyishangba to make ends meet. Their home valley is still characterized by a mixed agricultural economy based on the growing of buckwheat and barley under irrigation and the rearing of yak in their high mountain pastures, nowadays supplemented with income from tourism. The middle hill orientation of their traditional trade ventures, stems partly from the isolating effect of major mountain ranges to the north, but more so from the lack of demand for trade products hailing from a similar high-altitude ecological environment. Trans-Himalayan trade with Tibet has therefore hardly played a role in the Nyishangba economy. As time passed by, the southward-bound direction of their traditional ventures found a follow-up in their later trade expeditions across Nepal’s southern border into India, Burma, Thailand, and beyond.

Trade, as it developed over the years, brought increased mobility for a majority of the Nyishangba. Nowadays, one hardly finds a grown-up member of their community that has not been outside Nepal and many of them are acquainted with Singapore, Bangkok and Hong Kong, not to speak of Seoul or Tokyo. Of course, the rise of the Nyishangba as long-distance traders did not take place overnight. In effect, it took several decades to translate their initial gains into the relative – and for some of them – absolute wealth that is so characteristic of their Kathmandu-based community today. Nevertheless,
economic setbacks in the 1980s made part of the traders go back to their home district trying to recover some of their losses through participation in a nascent tourist industry. It is not the place here to extensively review the geographical history of their trade ventures, which was, briefly said, varied, multi-focused and sometimes illicit. The whole process boils down to a progressive integration into the wider Southeast Asian economy, in particular with regard to its urban-industrial centers of capitalist advancement during the second half of the twentieth century.

Nyishangba ventures, from the late eighteenth century onwards, were facilitated through the granting of trade privileges and tax exemptions by a rising Nepalese state. In 1966, Nyishangba rights were extended ‘indefinitely’. The latter decision had far-reaching effects, not so much because of the privileges involved per se – for that would have meant a mere continuation of the existing situation – but because they coincided with further facilities such as the liberal granting of passports to the Nyishangba, and the introduction of several other trade facilitating schemes and regulations. The precise articulation between the Nepalese government and the Nyishangba as a group have largely escaped scrutiny so far, but it is an established fact that the first Nepali passports were issued to leading Nyishangba already in 1962. This policy of liberally granting passports was continued in the following years, and formed a welcome addition to the Indian passports and Burmese identity cards that some traders had managed to procure. Indeed it opened the way for younger traders to undertake long-distance ventures into Southeast Asian countries on a par with an older generation that had more or less managed to monopolize international trade ventures beyond India up till then.

In addition, liberal import policies greatly facilitated the rise of Kathmandu as an import and transit market, at a time when India still followed a protectionist and restrictive economic foreign policy. This trading paradise however would not last. By 1976, the free import and transit smuggling of ready-made garments and all kinds of fancy goods, especially into India, had aroused so much national and international criticism that Nyishangba privileges were curtailed.

Despite the curtailment of exclusive Nyishangba rights by the Nepalese government in 1976 and the economic depression of the 1980s, the bigger trading families for a time were able to continue their somewhat unique position in the economic landscape of Nepal. As they held a tremendous advantage through their superior capital position and their knowledge of Southeast Asian markets, trusted middlemen, and last but not least their customs acquaintances at airports and border posts, they were able for a time to outplay new competitors. However, with the growing liberalisation of markets and the erosion of their traditional trading rights, the Nyishangba have become only one set of players in a much wider field of competitors than before.

At this point, we must go back to the main question of this essay: why have the Nyishangba succeeded so well in trade? Let us try to relate the question to the main theme of our conference, that of people and geopolitics in Trans-Himalayan trade. For a start, let me try to make clear that the phrase ‘Trans-Himalayan trade’ carries with it the danger of not granting the Himalayan region sufficient right of existence in terms of territorial identity. Fortunately, the addition of the term ‘people’ in the conference flyer makes us realize that the Himalayan region is a legitimate indigenous habitat and not simply a borderline drawn on a map, to be crossed only in order to be able to speak of Trans-Himalayan trade. Thereto comes the term ‘geopolitics’ to remind us that Himalayan village communities too are structured by power relations that run beyond their immediate surroundings, from the national state to the international arena, and that so for a long time already. Here we see social groups in their geographical and historical cohesiveness in interaction with wider settings of economics and geopolitics.

For at least fifty years, anthropologists have increasingly extended the study of social relations beyond kinship groups. They discovered that social boundaries tend to become both more explicit and fluid when external contacts intensify. This made them look for settings in which such contacts were most likely to occur. In a regional setting and application, they found that borderlands and frontiers turned out to be fascinating arenas of contact, and provided new avenues for research. Frontier studies have now become a fixed ingredient of the anthropological and historical research agenda. They were already so for a long time in geography and geopolitics, though from a quite different perspective. Interestingly however, these new studies are not any longer framed by conventional schemes in which a central power dominates a dependent periphery. Instead, frontier populations are nowadays seen as actively reshaping and reorganizing their social and economic lives within new sets of external relations. Negotiations between center and periphery are as much dominated by state politics and international relations as by local survival strategies. A warning seems in place here: Not all frontier populations are in a position

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to actively change their lives for the better. Some remain caught in a relentless struggle with expanding state structures, sometimes compounded by international military strife. It is against this broad analytical setting that the experience of Himalayan trade will be set, in particular that of the Nyishangba of Manang in North-Central Nepal.

In what follows I will briefly discuss the main explanations given so far for trade by Himalayan groups and finally set them in a multi-disciplinary scheme of interpretation that, in my view, makes it possible to do justice to the structural-historical particularities of Himalayan trade. The question to be answered remains the same: why were the Nyishangba successful in establishing a trade network covering large parts of South and Southeast Asia. Was it the harsh ecology of their homeland, which forced them to look for extra-local income? Did specific forms of social organisation or cultural practice facilitate their rise as traders? Were there particular economic opportunities or incentives that made capital formation possible? What was the influence of a nascent Nepalese state on the rise of the Nyishangba as a group? And in what ways did wider geopolitical developments enhance or hinder the rise of the Nyishangba as long-distance traders?

Let us begin with the ecological argument, which at first sight provides the answer to many questions as far as traditional trade is concerned. According to the British-Austrian anthropologist Von Fürer-Haimendorf (1975), the éminence grise of Himalayan research, “a self-contained peasant economy based on agriculture and animal husbandry cannot be sustained by the natural resources of valleys lying above 3,300 meters” (at least so in the Central Himalayas). There seems to be an element of necessity then in the occurrence of extra-local activities. The short growing season in combination with a shortage of labor as inherent to many traditional farming systems, prevents the realization of a balanced subsistence budget, thus providing an ecological stimulus to subsidiary income strategies. This may explain the winter exodus of many high altitude dwelling groups to lower regions to find work as laborers or to engage in a little trade.

A recent commentator on Nyishangba affairs even went so far as to state that there is an early ecological basis for social and economic cooperation in Manang, rooted in the absolute dependence on irrigation in a semi-arid environment, which has contributed to the development of systems of mutual cooperation and reciprocity, which have now carried over into the economic sphere. For a human geographer raised in the tradition of the géographie humaine, such an argument is hard to swallow. This type of physical determinism has long been abandoned in human geography. It is like explaining Dutch national wealth through its history in dyke-building and communal water management. Nobody believes such a thing in the Netherlands. Other and much more multi-factorial forces are at work here. The same commentator’s extension of the argument to other village-based societies throughout the world, especially to village communities inhabiting challenging ecological niches in highland areas is another instance of a now outdated physical determinism.

Then we come to the question whether specific forms of cultural practice did facilitate the rise of a set of values and attitudes that are favorable to the development of trade. This is a moot point, because it touches on one of the most debated issues in anthropology. Summarily we may say that it concerns the debate between materialists and mentalists. The materialists believe that human action gains shape by the way people cope with nature. These naturalists are very much interested in cultural ecology and its systemic, not say deterministic, qualities. Mentalists, in contrast, believe in the primacy of the human mind, the steering quality of cultural rules, and perhaps the autonomy of culture. Materialists are inclined to see the development of trade as a process of natural adaptation to geographical, biological or economic circumstances. Mentalists, in contrast, believe that the development of trade has more to do with the socialization of youngsters into patterns of behavior characterized by social flexibility and instrumental capabilities, a learning process ultimately leading to a sort of business culture finely ingrained into the minds of traders.

Recently, geographer and anthropologist Clint Rogers made this entrepreneurial culture into one of the corner stones of his argument in explaining Nyishangba success in trade (2004). Rogers, in his book-length analysis, repeatedly mentions the existing culture of mutual trust and reciprocity. He also points to frequent cases of spontaneous voluntary generosity, whether helping an incipient trader to a private loan, or extending the terms of repayment in times of adverse economic weather. ‘Doing friendship’ according to one of his informants, is the social and economic lubricant par excellence of Nyishangba society and, by implication, economy. However, in between the lines of Rogers’ study, we read about aggressive and opportunistic behavior, about illicit business and smuggling, as well as the exploitation of black markets by the Nyishangba. Moreover, the external perception of these Manangi, as they are commonly called in Kathmandu, is notoriously negative, whether fully
justified or not. That is why in his conclusion Rogers is forced to admit that “It remains be seen whether local cooperative norms will be strong enough to overcome the heightened competition, mistrust, and dissent that have emerged among Manang’s entrepreneurial community” (2004).

A related question at a higher level of analysis is whether an overarching socio-cultural tradition may provide an explanatory framework for becoming better traders in one group over another. This could be a viable argument, provided its relation can be demonstrated to the group cohesion and corporate organization as referred to above. The latter may be articulated in the form of a specific religious tradition as Von Führer-Haimendorf did with Buddhism and Hinduism, but, as with Max Weber’s interpretation of the protestant ethic and the rise of capitalism, it should be remembered that there is no implication whatsoever that a religious tradition per se (whether Christianity or Buddhism) is of any primary causal importance. As Trevor Ling in a thoughtful article demonstrated, it is “only in conjunction with various other, non-religious factors, and in certain favorable situations” that the cultural factor in the guise of religion may explain a particular development (1985). Weber, at the beginning of the twentieth century, knew this already and argued for a multi-factorial explanation of socio-economic change.

Now we come to the question whether there were particular economic opportunities or incentives facilitating Nyishangba trade. Local subsistence trade in the Himalayas was and is based on the exploitation of differences in supply of and demand for products hailing from different ecological zones. Further commercial incentive arose from locational opportunity as expressed in the nearness to natural channels of transport, which favored some Himalayan groups beyond others. The Thakali in the neighboring Gandaki Valley, for example, were extremely well located to control the exchange of basic products like salt, wool, and grain between Tibet and the middle hills of Nepal. Not having direct access to a major Trans-Himalayan trade route or pass, the Nyishangba were more or less forced to look to the South, and exploit whatever minor trade possibilities existed. This southward orientation, from an early date onwards, set them on a road to explore long-distance trade activities, which over time became separated from the productive basis of their home district and assumed wholesale character on a family or village basis. In the course of the process there occurred a change into the direction of more luxury and expensive items of trade.

In the choice of their long-distance trade products, the Nyishangba have always understood very well the importance of the mechanism of the low weight for value ratio. The less the weight and the higher the value of a product, the more it suited the Nyishangba in their search for niche-markets in which high prices could be realized. The geographical distances involved were considered less important because of low fixed costs. In addition some of the traders were prepared to take considerable risk, which brought early capital formation to some households or families. Innovation in transport and the growth of low labor-cost production centers in Southeast Asia did the rest. But can this brief summary of economic opportunity alone explain the rise of the Nyishangba as international long-distance traders?

This brings us to the further question as to the role played by a nascent Nepalese state in the rise of the frontier-dwelling Nyishangba as a privileged group of traders. Up till now I have deliberately avoided, as much as clarity permits, the use of the concept of ethnic group, let alone ethnic minority, because ethnic identities more often than not tend to be fluid, and minority problems only seem to have arisen with the growing power of the state. Such a state-driven monopoly of force, as for example manifest in Nepal during the nineteenth century, implies a precarious process of historical articulation between state and group. Such a view was already put forward in 1964 by the Dutch historical sociologist Wertheim in his seminal article on the political economy of trading minorities. He did so, because he felt that the focus on social and cultural traits of ethnic groups could never in itself explain the rise of economically powerful minorities, but that it was necessary to make reference to political attempts at incorporation of the groups concerned. By stressing a historical perspective, Wertheim, in a sense, was far ahead of his time. Together with the emphasis on the role of political and economic factors, especially in relation to the state, he provides us with a relatively early instance of a dynamic approach to the social sciences.

With regard to state power in the Central Himalayan region, the answer to the question of territorial and perhaps group excellence in trade is likely to be found in the special relationship between group and state, through which the Nepalese government sought to secure its territorial integrity by pursuing an active policy of containment relative to Tibet. It is here that a geopolitical perspective enters into our analysis.

Given the strategic location of certain Tibetan or Tibetanized groups near easy passages into Tibet, it was but a matter of time before the ruling elite in Kathmandu
realized the potential benefits of an active containment policy. The geo-politically tense situation between Nepal and Tibet, led to a policy in which specific privileges were conferred on persons or groups that could possibly contribute to the upholding of Nepalese territorial rights. Growing government interest in Nyishangba affairs from the 1950s onwards may be viewed in the same light. The official attention for Manang had almost certainly to do with incipient claims for greater local autonomy in a contested frontier region in the post-WWII years. In order to control and if possible to co-opt a small but vigorous community in times of turbulent statehood and amidst a tense Cold War situation, moreover compounded by the presence of CIA-backed Tibetan freedom fighters in Manang and neighboring Mustang, the Nyishangba, from the 1960s onwards, were lured into closer bonds of patronage with the Kathmandu power holders. It may seem paradoxical, giving more economic power to those who already possess it, but this policy had the virtue of weaving the web of state more tightly around a peripheral group, both in the sense of containing them in a geopolitical way and at the same time providing further avenues for economic development.

The gist, then, of this story is that social science has a lot to gain by a historical point of view. Although a structural-analytical point of departure cannot be avoided, it is only within a particular geo-historical context that a phenomenon such as the rise of the Nyishangba can be understood. Analysis, which is structural, needs to be supplemented by synthesis, which is historical. Such a contextual approach is multi-disciplinary in character and interpretive in style. It implies that theoretical constructs formulated from within a single academic discipline are to be handled with care, because in isolation they tend to obscure the contextual grounding and contingent quality of much trade experience and practice.

The historical rise of the Nyishangba of Manang as long-distance traders has turned out to be an extremely complex process. In accounting for their success, it seems best to avoid any ecological, socio-cultural, economic or geopolitical determinism. Although structurally and historically perhaps not entirely dissimilar to the experience of other trading groups, it seems useful to stress the particularity in the Nyishangba trade experience. A position between structure and history seems best to enhance our understanding of comparable particularities.

**Keywords:** Nepal, Nyishang (Manang), frontiers, kinship networks, trans-Himalayan trade.

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**References**


**Willem (“Wim”) van Spengen** (1949 – 2013) was a cultural geographer who served as a Lecturer at the University of Amsterdam from 1985 to 2003. A leading figure in the scholarship of Tibetan geography, socioeconomics, and history, van Spengen authored the seminal study *Tibetan Border Worlds: A Geohistorical Analysis of Trade and Traders* (2000). Wim’s life and work is discussed in the Obituaries section of this issue.