Blog on Capitalism
Exploring the nature of Capitalism

Relationships, Reciprocity and Exchange in Societies XPS Version: PDF Version:

by Bill Geddes
2 January 2010

Introduction

There is a constant *ideological management of reality* in communities. Dominant groups ensure that the communities in which they live are organized by and conform to the fundamental categorizations, classifications and understandings which order their own thought and action. They reflexively and subconsciously project these onto, and then attribute them to, features of the *real* world and principles of its organization. That is, they continuously and *subliminally* define and refine *objective reality* for their community (this is what many of the 'specialisms' of Western communities are about). Since they *know* how the world operates, they also *know* the best ways in which life should be organized and lived. They, therefore, feel responsible to ensure that people in the communities in which they live conform to those understandings. This is ensured through the many acculturative agencies and processes which can be found in any community of human beings. These ensure that community organization and individual thought and action conform to the community's version of objective reality.

Education is a major acculturative force in Western communities. One does not find Western style 'education systems' in non-Western communities. Where non-Western countries have education systems they are modeled on the systems developed in Western communities. Western education systems are comprised of sets of powerful acculturative agencies, focused squarely on ensuring that the most important fundamental understandings of Western communities are understood and adhered to. Where they exist in non-Western countries, education systems are essential elements of the hegemonic processes and structures which Western countries insist non-Western countries must 'develop' and continuously monitor and regulate (to counter 'poor educational practice') if they are to receive recognition and 'aid' from the West.

So, it should come as no surprise that some of the most powerful theoretical models developed in Western academic and professional circles incorporate and reaffirm the basic ideological understandings of Western communities. Such models become unwitting tools in the hegemonic promotion of Western capitalism. There is nothing fundamentally 'wrong' or reprehensible in this, that is what dominant ideological communities do and have always done, wherever they are found, and whatever their understandings of the world might be. However, it is a problem for academic research and for anthropological insight.

If we, as Westerners, are not aware that the most 'convincing' models will, almost inevitably, incorporate the central cultural presumptions of Western capitalism then we are likely, unwittingly, in using the models, to describe and explain phenomena we investigate in terms of similarity to and deviation from Western forms, processes, behaviors and understandings. Effectively, by default, we judge other cultural communities against Western 'standards' built into the theoretical models we employ, even as we claim that we are trying to understand them in their own terms. Annette Weiner (1992), in her book *Inalienable Possessions: The Paradox of Keeping-While-Giving*, tackles this problem head on in examining the cultural baggage built into many anthropological ideas and understandings. As she says,

> … ethnographers do not record informants' words as though on a tabula rasa, but as modified by their own theories and perceptions honed on the issues and arguments of previous anthropological discourses. How to get beneath what historically we, as anthropologists, take most for granted and, in its stead, hear what our field interpreters are actually saying is a major problem. (1992 p. 24)

Weiner's book examines some of the presumptions built into the models of reciprocity and exchange which anthropologists have used in 'explaining' spheres of exchange in non-Western communities. A word of caution, however, if you decide to read her book. I think that Weiner, showing how hard it is to avoid this, has, herself, been caught in the very web she claims to expose. The model she develops

as an alternative to those she criticizes contains similar ideological flaws. This is addressed by Mark Mosko (2000).

In this discussion we need to be alert to the problem. If we build our own cultural assumptions into the models we use, we end up comparing other cultural communities against the values and understandings of the community to which we belong. That is not the job of anthropology. It might be the task assigned to Western moralists (e.g. 'human rights' specialists), or to those involved in the hegemonic expansion of Western capitalism (e.g. 'Third World Development' specialists). However, anthropologists, if they are to study humanity rather than be party to a hegemonic imposition of Western cultural forms on the rest of the world, must attempt, to the degree that this is possible, to understand communities and people in their own terms.

By definition, the *economic* models of capitalism are ideological models which incorporate all the most basic presumptions about the world and about human beings which are extant in Western communities. When economic models are applied to life in non-Western communities they automatically produce recommendations for change, since, inevitably, they compare forms of organization and activity based on very different presumptions against the forms and activities extant in Western communities. Recommendations stemming from the application of these models are, all too often, used as the base for 'Third World development' programs and projects.

In neo-classical economics (mainstream economics in Western countries) three focuses are often employed in describing an economy. These are: production, distribution and consumption. Here we will examine the processes of *distribution* and the distributional constructs which become elaborated in communities as people exchange goods and services, and as those exchanges are integrated into community life and made 'meaningful'.

Kinship studies were, at one time, of central importance in most ethnographies. They have, over the past 50 years, become decreasingly important in most ethnographic research. Sarah Franklin and Susan McKinnon (2000), in an article entitled, 'New Directions in Kinship Study: A Core Concept Revisited', explore why there has been declining interest in such studies. In the process they present ideas from a range of disciplinary perspectives on the ways in which kinship studies can be integrated into research within those areas of study. Another study, by Christina Toren (1999), which focuses on present relations between Fijians,

> … shows how the ontogenetic process of constituting kinship as intentionality makes any given Fijian able ideally to be kin with any other and, further, makes kinship serve at once as the expression of collective order, as the domain of relations in whose terms libidinal desire is structured, and as the ground of ideas of self and other. An understanding of kinship has to be constituted rather than merely received, and a key element in this process is a developed

> consciousness of one's peers as peers. To become consciously a subject of kinship, a child has to find its peers; in so doing it begins to know kinship as the unifying and inexhaustible medium of all its relations with others. (1999 p. 265)

It is not only that people are born into kinship relationships and understand themselves and others, and interact with their worlds in terms of those relationships. It is also that people can use the categories and processes of kinship to form structured relationships when they need to do this. The 'kinship system' provides a model and 'tool kit' of possible relationships which can occur between people. These can be used by Fijians (and people in any community where kinship structures are dominant) to structure and define relationships when they meet new people or begin interacting with people in particular ways.

When anthropologists examine reciprocity and exchange in non-Western communities they very often find themselves examining various forms of kinship relations. On the other hand, when researchers focus on reciprocity and exchange in Western communities, they find that kinship relations are of minor significance. The focus is on independent individuals exchanging in terms of benefits gained and losses incurred.

The nature of 'goods and services'

It is very easy to focus on material goods and visible services as though they had an existence independent of the people amongst whom they are observed and as though pursuit of them *created* the relationships found between human beings. One might then attempt to classify and compare different kinds of goods and services, trying to understand them as self-existent items, and describe human relationships as the outcome of the pursuit of particular kinds of goods and services. This has been very common in social science theorizing.

However, in any community, the relationships between people and the uses to which people put goods and services determine the 'meaning' and significance of the goods and services. The goods and services are included in human interaction, but are not the *necessary* cause of those interactions. There cannot be a gift without a giver and a receiver, and the relationship which exists between those involved determines both the gift and the nature of the interaction which occurs.

As we study the nature of reciprocity and exchange, it is important to remember that, among other things, one is focusing on the *tangible evidences* of relationships between people. When one gives a gift, one is saying something about one's relationship with the other party to observers, to the recipient and, of course, to oneself. This is not only true in giving gifts. Each act of borrowing, lending, buying, selling, bartering, taking, giving, begging, stealing, creating, destroying…,

carries in it the nature of the relationship which the participants perceive as existing between them and between each of them and their environments (however defined).

To understand reciprocity and exchange, and, ultimately, all forms of distribution of goods and services in any community, one must understand the relationships which exist between individuals and groups in the community. And relationships, in turn, reflect the forms of classification and categorization in the community. Once I know 'where you fit' in relation to me, I will know how to behave toward you and I will know the appropriate forms of reciprocity and exchange in which we should engage. Anthropologists have often reported being given kinship position in the communities they have worked in. They are declared to be 'sons' or 'daughters', 'brothers' or 'sisters' or declared to have some other kinship relationship to community members. Once this happens, people can begin interacting with them 'as though' they were what they have been declared to be (see Christina Toren (1999)). This is why starting ethnographic research by looking at the ways in which goods and services are transferred between individuals and groups will soon lead you to an examination of all forms of relationship within the community.

Models of Reciprocity and Exchange

In most of the social sciences, it is presumed that the relationships which exist between individuals 'emerge' from the processes of exchange in which they engage. Human beings, it is assumed, are first and foremost 'actors' and the social relationships in which they are involved are outcomes of self-interested activity. So, exchange comes first, and groups emerge from those exchanges. Because they are convinced of the importance of reciprocity and exchange in understanding community organization and interpersonal interaction, theorists in the social sciences have attempted to define the nature of exchange. There have been two directions in which these attempts at definition have gone.

The most common direction has been toward a single definition of exchange. This has been encapsulated most clearly in *economic* models of exchange, but has been replicated in a range of social models developed out of *social exchange theory*.

The second direction has been toward defining exchanges contextually. This approach has assumed that the nature of exchanges is determined by the nature of the relationships perceived as existing between those involved in exchange. There cannot be a single definition of exchange. Rather, the characteristics of exchange depend on the context in which it occurs.

The presumptions about the nature of individuals and communities of human beings upon which these two approaches base their reasoning are very different.

Mark Bosco (2000) provides a response to Annette Weiner's (1992) book on the ethnocentric presumptions built into forms of exchange and reciprocity used in anthropological studies. The account starts from a presumption that the reader will be familiar with Weiner's writing, but it deals with issues which can be understood in their own right.

Weiner claims that life is full of 'duplicities and ambiguities that create tensions that can only be ameliorated and never resolved.' (1992 p. 5) Processes of exchange are predicated on these tensions. In fact,

> Exchange acts fuel these tensions because all exchange is predicated on a universal paradox – how to *keep-while-giving*… The motivation for keeping-while-giving is grounded in… the need to secure permanence in a serial world that is always subject to loss and decay… Even small groups expend enormous efforts and resources, for example, to convince the younger generation to beware of loss, to preserve relationship, and to guard sacred possessions… The paradox inherent in the process of keeping-while-giving creates an illusion of conservatism, of refashioning the same things, of status quo. (1992 pp. 5, 7, 8)

According to Weiner, while people need to transfer goods, services and information between each other to communicate, to sustain relationships, and to obtain other things they need, they feel as though they are losing something important whenever they do so. They are, therefore, impelled to attempt, in some way or other, to restore the status quo, to 'keep' what they are 'giving'. Mark Mosko is less than convinced by this explanation of the nature of exchange. This is a variant of social exchange theory, which we will examine shortly. It suggests that people are involved in 'cost/benefit' analysis coupled with an inherent human drive to conserve possessions.

Mosko, writing for an audience of anthropologists, presumes that his readers will have a great deal of ethnographic information at their finger-tips. However, the article does introduce us to the confrontation between social exchange theory and studies based on typologies of reciprocity. Weiner espouses the first position, Mosko the latter. This is not a new argument. In anthropology it went under the name of the 'formalist/substantivist' debate for many years and is now resurfacing rather more diffusely as an argument about the primacy of exchange or structure in the fashioning of human relationships.

Despite years of controversy in anthropological circles, there is still a clear division between theorists who view persons as 'unitary, bounded individuals rather than divisible or partible beings' (Mosko 2000 p. 377), and those who believe that to understand individuals and their behavior you must understand the ways in which they are integrated within the communities in which they live.

The approaches to reciprocity and exchange which we are going to examine next illustrate this divide. They are presumed, by those who promote them, to provide a framework for understanding human

interaction and the relationships in and through which they occur.

Social Exchange Theory

In Western communities, it is commonly believed that we are all, at heart, pre-social, independent, self-interested, self-promoting, competitive and acquisitive beings, intent on conserving and expanding our possessions and furthering our own well-being and independence, if necessary, at the expense of others around us. There has been a range of models of 'social exchange' developed through the 19th and 20th centuries which are founded on these assumptions. These presumptions provide the base for most economic and social models of exchange. According to social exchange theorists (whom you will meet in various guises in most social science theorizing) all exchange is based on the acquisitive, competitive, and self-interested drives of human beings who want to be independent.

According to this model, if you and I were in an exchange relationship it would be because you perceived me as having something you want (a good grade?) and I perceive you as having something I want (your money?). I look for ways of getting as much money as I can out of you while giving you as little as possible of what 'belongs' to me (I want to 'conserve' what is mine). You look for ways of getting the best grade you can out of me for the lowest price. The relationship might look like one of cooperation – teacher and student in the pursuit of knowledge – but it is, in reality, competitive, with each of us pursuing our own, independent, self-interested goals. Our relationship will continue for only so long as I can convince you to keep giving me money and you can convince me to keep passing you! Once we see the other as having nothing to offer (you run out of money – I run out of units you want to do) the relationship ends. You might recognize Weiner's paradox of keeping-while-giving in all this.

The development of education in most Western countries, over the past couple of decades, has largely been driven by this caricature of human motivation and sociability, with educational institutions becoming primarily 'profit making' organizations and education being promoted as a 'commodity' or 'consumable'. In the process, communities have devalued education as a cooperative pursuit of understanding and emphasized its value as a preparation for entry into the world of competitive wealth attainment. If it doesn't lead to money, what's the point? Not, of course, that you and I have such a crass view of the value of education!

Edward Lawler and Shane Thye (1999 p. 217) describe the model,

> Social exchange theory assumes self-interested actors who transact with other self-interested actors to accomplish individual goals that they cannot achieve alone. Self-interest and interdependence are central properties of social exchange. Whether it is two lovers who share a warm and mutual affection, or two corporations who pool resources to generate a new product, the basic form of interaction remains the same. Two or more actors, each of whom has something

of value to the other, decide whether to exchange and in what amounts.

Social exchange theory shares a great deal of common ground with *rational action theory* and *cost benefit analysis*. Their roots can be found in the Western philosophy of utilitarianism [1]. The approach, with minor variations in emphasis and definition, is also sometimes referred to as *rational choice*, the *problem of collective action*, *research in 'micro fundamentals,'* or *methodological individualism*. In anthropology it is also known as *formalism*, in contrast to the *substantivism* of Karl Polanyi and those who have developed his ideas over the past fifty years. Agnar Helgason and Gisli Palsson (1997), in an article entitled ' Contested commodities: the moral landscape of modernist regimes', examine some of the controversies which still exist between anthropologists who adopt a formalist (social exchange) approach to exchange and anthropologists who adopt a substantivist approach. We will examine Polanyi's ideas shortly.

Lawler and Thye's (1999) article both accepts the validity of the model and reviews the literature on social exchange theory. It provides an excellent illustration of the ways in which Western ideological understanding becomes unconsciously built into Western 'explanatory' models and a reminder that social science theorizing is not acultural. The ways a theorist sees his or her world, and the basic presumptions about life which are held to be self-evident are usually either explicitly or implicitly written into the theoretical constructs which theorists build.

Social exchange theory presumes that individuals interact in terms of competitive self interest. Their interactions are focused by both *social incentives* to behave in particular socially approved ways and *social constraints* on 'unacceptable' behavior (social 'benefits' and 'costs'). Those incentives and constraints have been developed over time as a consequence of individuals' experiences in the competitive cut and thrust of getting what they feel they need and want. They channel activity to minimize the costs and maximize the gains of interaction for the greatest number in the community (it is in this that the model draws most heavily on utilitarian ideas - the ideal community is, therefore, 'democratic'). In these ways, *ostensible* cooperation between individuals and groups emerges and a variety of communal structures develop to further what are, ultimately, individual, self interested activities aimed at meeting individual needs and wants in an environment of competitors and scarce resources. The innate traits of human beings turn out to be remarkably similar to those of individuals as defined in Western industrialized communities.

Claude Levi-Strauss (1963, pp. 279ff), an anthropologist writing during the 1940s to 1980s, made a distinction between what he called 'home-made' models of social interaction and organization, and models designed to uncover the basic presumptions and principles upon which social life is constructed. Home made models *perpetuate* the phenomena they claim to explain. Explanatory models elucidate

the fundamental presumptions and principles upon which social life is built. Although those who employ the conscious, home made models will claim that their use 'explains' social phenomena, in fact, they are part of the ideological acculturative process. The use of the models reaffirms and reinforces the behaviors, attitudes and understandings which they are supposed to 'explain'. According to Levi-Strauss,

> conscious models… are by definition very poor ones since they are not intended to explain the phenomena but to perpetuate them. Therefore structural analysis is confronted with a strange paradox well known to the linguist, that is: the more obvious structural organization is, the more difficult it becomes to reach it because of the inaccurate models lying across the path which leads to it. (1963, p. 282)

As you have already seen in Mosko's (2000) article, many anthropologists are wary of models which employ a singular definition of the nature of social exchange such as that presented in social exchange theory. However, theoretical models which either explicitly or implicitly rely on this set of assumptions about human interaction are very common in social science theorizing.

For researchers and theorists who espouse a variant of social exchange theory, individual human beings are primary. Social organization and social interaction – *exchange networks* [2] - are outgrowths of individual human beings trying to fulfill their own needs and wants and ensure their status as independent individuals. So, individual human beings, and the relationships they form in the process of achieving their independent goals come first. Change the needs and wants of individuals and they will change their interactions and, consequently, the social structures which have emerged to facilitate the pursuit of their independent ends. In the words of George Homans who wrote widely from this perspective in the mid 20th century,

> … elementary social behaviour, pursued long enough by enough people, breaks through the existing institutions and replaces them. Probably there is no institution that was not, in its germ, elementary social behaviour. (Homans, 1961 p. 1)

Social structures and institutions emerge from the interactions of independent individuals pursuing their own private ends. The relative statuses of people and the relative power they exercise are also derived from these relationships, driven by people trying to ensure that they retain any advantages they have in the exchange process. Linda Molm, Gretchen Peterson and Nobuyuki Takahashi (2001) sum up the relative power positions of human beings in interacting groups like this:

> The concept of dependence is pivotal to the theory's analysis of power. Each actor's power derives from the other's dependence: A's power over B increases with B's dependence on A, and vice versa (Emerson 1972a, 1972b). Inequalities in power and dependence create power imbalanced relations, in which the less dependent actor

> has a power advantage over the more dependent, disadvantaged actor. The theory distinguishes between power as a structural potential, determined by actors' relations of dependence, and power use as the resulting inequality in benefits obtained by more and less powerful actors in a relation or network. The former affects the latter, in that imbalances in power tend to produce corresponding inequalities in exchange benefits.
>
> Because power is a function of dependence, predicting power and its use requires identifying variables that affect actors' relative dependencies. (Molm et al 2001 p. 259)

According to social exchange theory, if two people are in an exchange relationship, the person most committed to making the relationship work is in a disadvantageous position. That person will have put more 'resources' into making the relationship a success than the other person and so the 'costs' and 'benefits' of the relationship vary inversely to the commitment of the participants. The one who is more committed will have to 'pay' more than the other party to maintain the relationship – they become relatively more 'dependent' on the relationship. People who are in 'relationships of dependence' feel subservient to those on whom they depend and so, inevitably, human beings dream of independence, of not having to rely on others for their needs and wants.

Redistribution – another form of exchange

Social exchange theory presumes that human *action* is primary and that social structures and institutions emerge out of human interaction and are finally sustained by it. But what if human action is instituted by the structures of the community? Then the forms of interaction which occur will be determined by the forms of organization and by the ways people are brought up to behave through their placement within the social whole. Community structures will be primary and human interaction and exchange will reflect the ways in which communities are organized.

This was the focus of a great deal of Marxist theorizing [3] of the late 19th and 20th centuries. Human beings, Karl Marx believed, behave as they are brought up to behave, determined by the ways in which their society is organized and articulated to the material environment, that is, the 'relations of production' which exist in the society. In his own words,

> In the social production of their existence, men inevitably enter into definite relations, which are independent of their will, namely relations of production appropriate to a given stage in the development of their material forces of production. The totality of these relations of production constitutes the economic structure of society, the real foundation, on which arises a legal and political superstructure and to which correspond definite forms of social consciousness. The mode of production of material life conditions the general process of social, political and intellectual life. It is not the consciousness of men that determines their existence, but their social

> existence that determines their consciousness. (1859 p. 1)

Marx, a Western person, assumed that 'relations of production' would be central to the ways in which people are defined and interact. The self-interested, competitive, acquisitive individualism of Western communities is an inevitable consequence of the stage they have reached 'in the development of their material forces of production'. It is instilled in people through their upbringing. Capitalist societies require self-interested, competitive individualism and so people are brought up to display those characteristics in their interactions. In other societies, people will be trained to behave in ways required by the dominant 'relations of production' of their communities. Economic exchange is the kind of exchange required for capitalism to work.

Marx was a thinker of his time, and an optimist. He was convinced that human societies were evolving toward a particular set of 'relations of production'. There would be a final structuring of society reached, where human beings would fully understand the productive potential of their environments and would harness that potential for the greatest good of each individual in the society. Individuals would, 'naturally', be brought up to behave in ways required by the dominant relations of production, ensuring that, at last, each person would contribute what he or she was able to the social whole and receive what he or she needed. This is the meaning of the term 'communism'.

Karl Polanyi, an economic historian writing in the middle of the 20th century was strongly influenced by Marxist ideas, but less than convinced about the evolutionary direction of human development. He argued that,

> the term *economic*, as commonly used to describe a type of human activity, is a compound of two meanings. … The first meaning, the formal, springs from the logical character of the means-end relationship … from this definition springs the scarcity definition of *economic*. The second, the substantive meaning, points to the elemental fact that human beings, like all other living things, cannot exist for any length of time without a physical environment to sustain them; this is the origin of the substantive definition of *economic*. The two meanings… have nothing in common. (1977 p. 19)

On one hand, there is an economy as defined in economic theory and as experienced in Western communities. This economy works best if people behave as self-interested, competitive, acquisitive individuals because it is a 'market' economy. People are brought up to behave in ways which will ensure their success in such an environment. Polanyi argued that the particular ways in which human beings utilise their material environments and the forms of relationships through which goods and services are distributed throughout the society, are not derived from innate individual human traits and instincts and are not 'natural' consequences of exploiting material environments (it was in this assertion that he parted company with Marxists). Rather, the ways in which people behave and the ways in which they use their material environments are determined by the ways in which their

communities are organised.

He claimed that there is an *economistic fallacy*, which 'consists in a tendency to equate human economy with its market form.' (1977 p. 20) The *substantive* economy in any community, he argued, is *embedded* in the organization and interactions of the community. So, exchange relationships are determined by the structure of the community rather than the structure of the community being determined by exchange relationships. To demonstrate that not all economic activity is organised like a Western market economy he described the economic activities of ancient historical Mesopotamian communities, showing that they were very differently organised. He labelled the system he described a *redistributive* system.

> Redistribution stands for a movement towards a centre and out of it again, whether the objects are physically moved or only the disposition of them is shifted. (1977 p. 36)

He claimed that in communities which are organised with a wide peasant base and a hierarchical leadership structure, goods and services initially flow from the peasant base upward through the hierarchy. If you examined the system at some periods it would appear that there was a systematic exploitation of the peasant base by the elite of the community. However, it is the task of the elite not merely to use the surpluses they receive, but to provide a range of services and to store and redistribute surplus production to community members who are in need. So, if you examined the system from the perspective of the elite or during times of hardship, you would find that there was a reverse flow occurring. Goods and services would be flowing from the centre out toward the peasant base. To understand how such an economy worked one had to understand the organization of the society, not merely individual exchanges. What might be seen as an exploitative system from either perspective, could be shown to be a 'social welfare' system when one looked at the long-run activities of all members of the community.

A reciprocity continuum

Polanyi's challenge to economic theory was based on his claim that there are forms of exchange of goods and services which do not conform to the definition of exchange which is used in economic and social exchange theory. So, it was a fallacy to claim that economic and social exchange models could be applied universally. This was a fairly rudimentary attack on the universal validity of social exchange theory, but it was a start. Polanyi's models did not explain *why* different communities had different forms of redistribution and exchange, only that it could empirically be shown that this was the case. It remained for someone to provide a model of exchange relationships which would spell out why it was possible to have such different forms of community organization and interpersonal exchange.

The next major contribution to the debate came from Marshall Sahlins. Although Sahlins' model of exchange relationships provides a way forward, it does not directly deal with the kinds of exchange Polanyi described. Rather, it describes forms of exchange between people who are roughly equal in status within a community. Polanyi introduced a focus on hierarchically structured exchange relationships, the ways in which goods and services moved through political and social hierarchies. Sahlins was more concerned with the ways in which kinship and social distance influenced exchange relationships. He explains this in his most influential book on the subject, *Stone Age Economics,* when he says,

> Rank difference as much as kinship distance supposes an economic relation. The vertical, rank axis of exchange – or the implication of rank – may affect the form of the transaction, just as the horizontal kinship-distance axis affects it. (1972 p.206)

Polanyi's redistributive system is one focusing on exchange between people of different rank (the 'vertical, rank axis of exchange'). Sahlins' model of reciprocity and exchange focuses on the horizontal axis: the ways in which the nature of exchange differs with the degree to which people see themselves as 'related' to each other, coupled with the amount they have to do with each other.

Some anthropologists have examined a range of 'spheres' of exchange [4], usually meaning that there are exchange complexes which are focused within particular organizational areas of a community. As Frederick Damon (1993 p. 243) describes for the U.S.A.,

> there are spheres of gifts, of wage labor, and of productive and financial capitals. It is easy to show that each operates by different principles with different purposes. It is also easy to show – requiring only a book or two – that complex patterns of reciprocal dependencies, with painful contradictory consequences, govern their interactions.

Damon goes on to describe similar spheres of exchange for a community involved in Kula exchange. We will examine Kula exchange more closely shortly. You need to remember, when examining Sahlins' model of exchange relationships, that he is dealing with one of the spheres of exchange which exist within communities. The nature of reciprocity and exchange become much more complex in Sahlins' typology than they appear when one examines simple interactions between two individuals in face to face relationships as in social exchange theory.

The key to understanding Sahlins' contribution to the debate on the nature of exchange is that he, following Polanyi's lead, envisaged more than one definition of an exchange relationship. He concluded that the kind of exchange relationship which would be found between two individuals or groups was determined by the nature of the relationship which existed between them. There are many possible definitions of exchange, since particular instances of exchange and

reciprocity are *individuated* expressions of relationships which exist between categories of people.

This points us directly to the kind of model which Levi-Strauss (1963) called a 'structural' model, based on the unconscious principles of categorization and classification which exist within any 'structured' community. One can understand exchanges best when one realises that they are visible expressions of the kinds of relationship which people perceive as existing between themselves, making them into a *community* of human beings.

The relations which people perceive as existing between themselves are a sub-set of the relations which occur within and between the classificatory categories of thought which each member of a community learns from his or her community from the moment of birth. You can't 'think' without such a classificatory structure since thought is a process of comparison to determine similarities and differences between perceived items (and that is the definition of *classificatory categorization*). These relations of similarity and difference are expressed in all forms of structured communication between people, from language to the exchange of material goods and services.

The classificatory categories of any community have been unconsciously developed over the history of the community and so will be unique to that community. Yet, because there is a finite set of relations which can occur between elements in a structure, there will be many apparent similarities between communities. We can't pursue this further here, but, in *formal system* analysis it is recognised that there is a variety of kinds and combinations of relationship which can exist between elements of a structure. As the Encyclopaedia Britannica puts it,

> Each formal system has a formal language composed of primitive symbols acted on by certain rules of formation (statements concerning the symbols, functions, and sentences allowable in the system) and developed by inference from a set of axioms. ("formal system" *Encyclopædia Britannica Online*. <http://search.eb.com.au/bol/topic?thes_id=153894> [Accessed 11 February 2002].)

Since human beings are sentient and capable of reflexive thought, they do not merely conform to the structural requirements of the system in which they live. They are able, individually, to focus on, and compare and contrast the forms of relationship they are involved in and so experiment with alternative definitions of, and behaviours in structured interactions. That is, they *individuate* their social relationships, just as they do every facet of their experience and understanding. This is what Mosko is referring to when he says,

> Melanesian persons are best understood, not as the 'indivisible' unitary beings of Western jurisprudence but as 'dividual' or 'partible' agents who, in seeming to exchange objects with one another, detach and attach respective parts of persons… (2000 p. 381)

People are constantly defining and redefining themselves in their interactions. The structure is, necessarily, conservative, but it is neither static nor completely prescriptive.

Sahlins points to this when he says that,

> it is not only that kinship organises community, but communities kinship, so that a spatial, coresidential term affects the measure of kinship distance and thus the mode of exchange (1972 p. 197).

While, in many communities, exchanges are formally structured by kinship relationships, kin who live close to each other develop closer relationships than kin living at a distance. This results in different forms of exchange developing between an individual and two or more kin who might share the same kinship relationship with him or her but live closer or further away. However, the set of relationships from which they build their individuated interactions is already spelt out in the social structures of their community. This is the point of Christina Toren's (1999) discussion of the ways in which Fijian kinship relations pattern interactions between people in Fiji. As she says,

> A Fijian village child lives kinship as the very medium of existence; such a child constitutes ideas of self and others or, in simpler terms, comes to be who he or she is, in reciprocal relations between kin. (1999 p. 265)

Sahlins is suggesting that the forms of reciprocity which will be observed will take their character from the forms of social relationship which exist between exchangers as members of a structured community. And, in turn, the social relationships which exist between the exchangers will depend on the number and kind of relationships summed up in each person. People are *nodes of relationships* and their interaction with each other person or group is 'flavoured' by the blend of relationships in which they are involved.

If you stop for a moment and think of yourself. You 'know' who you are by the way you relate to everything around you. All the perceived relationships between yourself and all the recognised elements of your environments, provide the raw material from which you construct your self-image. If someone tries to change those perceived relationships, that person assails your self-image. You, inevitably, react to defend your definition of yourself. That is, you try to *conserve* your present definition by conserving present recognised relationships.

A short-hand way of determining how a person defines himself or herself is to ask him or her to tell you 'who' someone else is. Then, listen to what they focus on as important in defining the person.

Human beings, born into communities, are taught that certain forms of relationship are important, and so, in any community, one will find that some kinds of relationship are emphasised more than others. In Western communities many individuals are taught that competitively balanced exchange is important and that each individual should value privacy, independence, and material possessions. Relationships tend

to take their 'flavour' from these values. As we will see shortly, not all communities see these values as important.

To understand an act of exchange one has to understand the relationship which the participants in the exchange perceive as existing between them. The form of an exchange between family members will be different to the form of an exchange between strangers (and different to the forms of exchange found between people of variant rank or status in the community). A guide to understanding the ways in which exchange relationships differ, with categorization between people within 'spheres' of exchange in communities, can be gained by considering reciprocity and exchange as occurring on a continuum of relationship as below:

In using this model, you need to remember that you are dealing with a *continuum* of relationships, not just three different relationships. As you move from left to right along the line, the relationship is progressively based on perceiving fewer similarities and more differences between participants in an exchange [5]. The resulting exchange behaviour takes its flavour from those perceptions and so varies as you move along the line.

The more two people see themselves as 'related', that is, as sharing a common identity, the more they will emphasise sharing rather than holding sets of separate possessions. So, when one person wants something the other has, they will tend to assume the right to take it and use it, rather than having to 'ask permission' or 'buy' it from the other person. Generalised reciprocity is a very common form of exchange within nuclear family groupings. There are many possessions that belong to the household rather than to the individuals in the household. Members use them when they need to without having to ask permission of other family members. The item might be in the possession of one of the members, but it can be taken and kept by another member until someone else needs it.

Degrees of similarity and difference between people are *contextually* defined. I might emphasise my 'difference' from other family members when acting inside the home. I might emphasise 'similarity' to my family members when we are acting as a unit in a wider setting. And, perhaps, I, my family, the family of my uncle and/or my aunt might act as a unit in a still wider setting. So, depending on the context, I might well behave differently toward members of those groups at different times. Sometimes I will emphasise our differences, by insisting that some things are 'mine' and others are 'theirs'. But, sometimes, in different contexts, we will emphasise our similarity, finding it much easier to 'share' things with each other. I'm sure you can think of times when you were with a wider group and presumed that you could use things the group had which you would never presume to use if you were not part of the 'same' group.

The less interacting people see themselves as sharing the same identity, the more differences they will recognise as existing between

them. This will make it more likely that they will have to ask permission to use an item in the other person's possession. As the differences increase, they will increasingly feel the need to 'balance' the relationship by offering something to the other person in exchange for the item they want to use. The people involved will tend to hold separate sets of possessions and feel that they are 'losing' something when an item they have is given to the other person (there is a conservation principle at work).

By the time we reach the mid point on the diagram above, there is a feeling that when something is given to one person, the other should get something of fairly equal value in return. The exchange should be 'balanced'. In most forms of exchange to the left of the diagram, the people involved in exchange feel themselves to be in some degree related to each other and are not interested in making a 'profit' at the expense of those with whom they associate. The more closely they consider themselves to be integrated with each other, the more complete the sense of sharing possessions among them becomes. Exchanges on the left side of our diagram tend to reinforce social relationships based on similarity and often seem deliberately designed to do this.

The 'balanced reciprocity' relationship is most commonly found between acquaintances rather than friends, people who are considered connected with us in some way, but are very definitely not members of our 'in-group'. Neighbours in Western communities are often in this kind of relationship. One doesn't feel that it is right to make a profit out of them, but exchanges should be balanced and when something is lent or borrowed it should fairly promptly be returned.

As we move to the right of the diagram, people who interact with each other emphasise their differences rather than their similarities. The less like each other they consider themselves to be, the more they emphasise keeping their own possessions and trying to get yours for as little cost as possible (Weiner's 'keeping-while-giving' relationship). If you have this kind of relationship with another person you have no problem in 'buying' and 'selling' items. If you try to buy and sell to people on the left side there is an uneasy feeling that this is not the appropriate thing to do.

This is one important reason why many business activities in close knit communities fail. Outsiders do much better at business because they can buy and sell without resentment developing in the community as a result of their activities. Of course, by engaging in competitive exchange they are also cementing their definitions as 'outsiders'. This can be a trap for researchers engaged in ethnographic research. If you 'pay' for information, you are going to get the kind of information people tell 'outsiders'. You are, at the same time, ensuring that they categorise you as an outsider.

In any community one will find *all forms* of reciprocity. It is not that in

some communities one finds generalised reciprocity and in other communities one finds balanced or negative reciprocity. Rather, in every community one will find people who are closely defined as similar to each other and others who will be less closely related. And all these relationships are, of course, relative to the person on whom attention is being focused. One will also find people living in neighbouring communities or on the fringes of communities who are defined as primarily different from community members. Expect to find that the forms of exchange which occur will reflect the relationships perceived as existing between people. They will also, in quite different ways, reflect the status, rank and prestige differences which are perceived between people.

It is time to examine ethnography. The aim in the next three sets of ethnographic writings you will be examining is to introduce you to some of the forms of reciprocity and exchange which are found within communities. These writings provide information on a number of different focuses or 'spheres' in exchange. First, there are the day to day exchanges and interactions which occur between people in supplying their needs and wants and in smoothing their relationships with each other. Second, there are exchange complexes which are clearly focused on status attainment, status maintenance and the challenging of statuses in the communities. Third, there are exchanges which seem to focus on relationships between groups, providing means for maintaining, challenging and reassessing the relative positions of leaders and the groups which they represent.

Ethnographies of Reciprocity and Exchange

Kula Exchanges

Perhaps the most famous description of processes of reciprocity and exchange within a society is Bronislaw Malinowski's (1977) description of *kula* exchanges in the Trobriand Islands of Papua New Guinea. The exchange network that he describes in that brief article still exists in the present, though it has altered considerably in response to the enormous pressures for change which the people of the island group have experienced since Malinowski wrote his description in the early 1920s.

In his description of exchange on Normanby Island, Carl Thune focuses on the 'specific way it is tied to and grounded within a local village world of exchange strategies and transactions between related matrilineages' (1983 p. 345).

Thune's ethnographic account of the structure of village and Kula exchange on Normanby Island provides a lot of information on a range of forms of reciprocity and exchange. It shows how the context in which exchanges take place determines whether a larger or smaller

group is included in the 'sharing' of goods, and how competitive exchange is similarly contextually determined. Sometimes the *susu* is the important basic unit, sometimes it is the *kasa*. And sometimes it is the larger village which people see as the basic unit in which they are united with the other members in a sharing relationship. People outside the recognised unit, 'trade' and 'barter', that is, engage in various forms of 'balanced' exchange (sometimes competitive, sometimes not) with unit members.

The potlatch

The Potlatch System, as famous in anthropological literature as the Kula Ring, was first described by Franz Boas(1966) at the beginning of the twentieth century. Stuart Piddocke (1965) sketches the main elements of the system after providing a brief ethnographic contextualisation of the information. Anthropologists have often attempted to explain non-Western forms of exchange in Western economic terms. In his opening paragraph Piddocke says, 'the potlatch had a very real pro-survival or subsistence function, serving to counter the effects of varying resource productivity'. Stanley Walens (1981) provides a very different picture of the nature of the potlatch system.

Piddocke focuses very strongly on the ways in which the Kwakiutl manage and utilise their resources, a distinctively Western set of concerns. Walens (1981) provides a very different focus. He argues that,

> It is impossible to understand Kwakiutl culture, and the structure and meaning of Kwakiutl behavior, without first understanding their basic ontological system [the system through which they structure nature and relations of existence] and the principles of causality on which it is based. These causal principles delineate the organization and operation of the physical world and man's role in affecting events and their outcome. (1981 p. 21)

Walens insists that systems of reciprocity and exchange like those of the Kwakiutl and of the Trobriand Islanders should be understood through the ways in which people involved in them categorise and classify their worlds and interact with each other in terms of that organization. Walens, in a book called *Feasting with Cannibals: An Essay on Kwakiutl Cosmology* (1981), not only reinterprets the ethnographic information on Kwakiutl social organization and interaction, but also explains why he considers this essential.

If Walens is correct then to understand reciprocity and exchange among the Kwakiutl one must take both the natural and supernatural realms into account. To focus only on exchanges between human beings in this world would be to miss the determining rationale of those exchanges. It is not enough to spell out a variety of forms of exchange between people. Nor is it enough to 'explain' exchange relationships by identifying the kinship relations which determine their form. One must know what underpins the relationships they perceive

between each other. And, among the Kwakiutl, that requires an understanding of the ways in which they bring together what Western people would call the natural and supernatural dimensions of existence. A focus on relationships, without an understanding of the *cosmology* of the people involved, will result in a less than adequate understanding of what is going on for the people involved in them.

Westerners, strongly conditioned to keep the natural and supernatural separate, and suspicious of the true value of what is for many an ethereal realm, often display a blindness to metaphysical understandings in the communities they examine. It is simply 'not important' to explore that dimension of (un)'reality'. Walens reminds us that this is an ethnocentric position to adopt. We will miss a great deal if we fail to take *all* the understandings of people into account in trying to understand their way of life. If we focus on *what* people do but do not research the *why* of their behaviour we are very likely to misunderstand the significance of what we are observing.

Fighting with food

Michael Young (1971), in a description of exchange in a Massim society strongly emphasises the kinship relations between people and shows how these determine and regulate the nature of exchanges and interactions between people in Massim society. If you did not know the kinship relations, you would certainly find both gardening and Abutu among the Massim very difficult to understand. He also spends time describing the ritual activity which Massim consider essential to successful gardening and to the achievement and maintenance of status and rank. There is no division of the world into natural and supernatural realms. Rather there is one realm which has both of these dimensions included in it.

The nature of exchange is not nearly so simple, nor so easily explained, as social exchange theory would suggest. Although Ockham's razor suggests that the simplest explanation is usually the right one, this is only true if you have taken all the relevant information into account. And, as we have seen, the relevant information can often be invisible to a person who starts with the assumption that his or her understanding of the world is the only understanding, or the 'right' understanding. Both Walens and Young show us that an understanding of the nature of reciprocity and exchange is only possible when the cosmologies of the communities in which they occur are understood.

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1 See Milan Zafirovski (1998) for a discussion of the nature of this connection.

2 For a discussion of the nature of exchange networks, see Whitmeyer Joseph M. 1999, Interest-Network Structures in Exchange Networks, *Sociological Perspectives*, Spring Vol. 42 No. 1 p. 23

3 Marxism was extremely influential through most of the 20th century and still has a strong following. The Web site http://www.marxists.org/ provides a comprehensive coverage of Marxist writings. For a clear summary of Marx's ideas see Fischer E. and Marek F. 1973, *Marx in His Own Words* (Translator: Anna Bostock) Penguin Books, Harmondsworth

4 For discussion of the notion of spheres of exchange, see Guyer Jane I. 1995, Wealth in People, Wealth in Things-Introduction, *The Journal of African History* January, Vol. 36 No. 1 p. 83 ;
Pannell Sandra 1993, 'Circulating Commodities': Reflections on the Movement and Meaning of Shells and Stories in North Australia and Eastern Indonesia, *Oceania*, September Vol. 64 No. 1 p. 57

5 This is, of course, not the only such set of relationship possibilities. One can also have, among others, continua of complementarity, displacement,

containment, and accompaniment. The reductionist enterprise undertaken in social exchange theory strips away and treats as irrelevant all such multi-dimensional aspects of human relationships.

Blog on Capitalism
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Relationships, Reciprocity and Exchange in Societies XPS Version: PDF Version:

by Bill Geddes
2 January 2010

Introduction

There is a constant *ideological management of reality* in communities. Dominant groups ensure that the communities in which they live are organized by and conform to the fundamental categorizations, classifications and understandings which order their own thought and action. They reflexively and subconsciously project these onto, and then attribute them to, features of the *real* world and principles of its organization. That is, they continuously and *subliminally* define and refine *objective reality* for their community (this is what many of the 'specialisms' of Western communities are about). Since they *know* how the world operates, they also *know* the best ways in which life should be organized and lived. They, therefore, feel responsible to ensure that people in the communities in which they live conform to those understandings. This is ensured through the many acculturative

agencies and processes which can be found in any community of human beings. These ensure that community organization and individual thought and action conform to the community's version of objective reality.

Education is a major acculturative force in Western communities. One does not find Western style 'education systems' in non-Western communities. Where non-Western countries have education systems they are modeled on the systems developed in Western communities. Western education systems are comprised of sets of powerful acculturative agencies, focused squarely on ensuring that the most important fundamental understandings of Western communities are understood and adhered to. Where they exist in non-Western countries, education systems are essential elements of the hegemonic processes and structures which Western countries insist non-Western countries must 'develop' and continuously monitor and regulate (to counter 'poor educational practice') if they are to receive recognition and 'aid' from the West.

So, it should come as no surprise that some of the most powerful theoretical models developed in Western academic and professional circles incorporate and reaffirm the basic ideological understandings of Western communities. Such models become unwitting tools in the hegemonic promotion of Western capitalism. There is nothing fundamentally 'wrong' or reprehensible in this, that is what dominant ideological communities do and have always done, wherever they are found, and whatever their understandings of the world might be. However, it is a problem for academic research and for anthropological insight.

If we, as Westerners, are not aware that the most 'convincing' models will, almost inevitably, incorporate the central cultural presumptions of Western capitalism then we are likely, unwittingly, in using the models, to describe and explain phenomena we investigate in terms of similarity to and deviation from Western forms, processes, behaviors and understandings. Effectively, by default, we judge other cultural communities against Western 'standards' built into the theoretical models we employ, even as we claim that we are trying to understand them in their own terms. Annette Weiner (1992), in her book *Inalienable Possessions: The Paradox of Keeping-While-Giving*, tackles this problem head on in examining the cultural baggage built into many anthropological ideas and understandings. As she says,

> … ethnographers do not record informants' words as though on a tabula rasa, but as modified by their own theories and perceptions honed on the issues and arguments of previous anthropological discourses. How to get beneath what historically we, as anthropologists, take most for granted and, in its stead, hear what our field interpreters are actually saying is a major problem. (1992 p.

Weiner's book examines some of the presumptions built into the models of reciprocity and exchange which anthropologists have used in 'explaining' spheres of exchange in non-Western communities. A word of caution, however, if you decide to read her book. I think that Weiner, showing how hard it is to avoid this, has, herself, been caught in the very web she claims to expose. The model she develops as an alternative to those she criticizes contains similar ideological flaws. This is addressed by Mark Mosko (2000).

In this discussion we need to be alert to the problem. If we build our own cultural assumptions into the models we use, we end up comparing other cultural communities against the values and understandings of the community to which we belong. That is not the job of anthropology. It might be the task assigned to Western moralists (e.g. 'human rights' specialists), or to those involved in the hegemonic expansion of Western capitalism (e.g. 'Third World Development' specialists). However, anthropologists, if they are to study humanity rather than be party to a hegemonic imposition of Western cultural forms on the rest of the world, must attempt, to the degree that this is possible, to understand communities and people in their own terms.

By definition, the *economic* models of capitalism are ideological models which incorporate all the most basic presumptions about the world and about human beings which are extant in Western communities. When economic models are applied to life in non-Western communities they automatically produce recommendations for change, since, inevitably, they compare forms of organization and activity based on very different presumptions against the forms and activities extant in Western communities. Recommendations stemming from the application of these models are, all too often, used as the base for 'Third World development' programs and projects.

In neo-classical economics (mainstream economics in Western countries) three focuses are often employed in describing an economy. These are: production, distribution and consumption. Here we will examine the processes of *distribution* and the distributional constructs which become elaborated in communities as people exchange goods and services, and as those exchanges are integrated into community life and made 'meaningful'.

Kinship studies were, at one time, of central importance in most ethnographies. They have, over the past 50 years, become decreasingly important in most ethnographic research. Sarah Franklin and Susan McKinnon (2000), in an article entitled, 'New Directions in Kinship Study: A Core Concept Revisited', explore why there has been declining interest in such studies. In the process they present ideas

from a range of disciplinary perspectives on the ways in which kinship studies can be integrated into research within those areas of study. Another study, by Christina Toren (1999), which focuses on present relations between Fijians,

> … shows how the ontogenetic process of constituting kinship as intentionality makes any given Fijian able ideally to be kin with any other and, further, makes kinship serve at once as the expression of collective order, as the domain of relations in whose terms libidinal desire is structured, and as the ground of ideas of self and other. An understanding of kinship has to be constituted rather than merely received, and a key element in this process is a developed consciousness of one's peers as peers. To become consciously a subject of kinship, a child has to find its peers; in so doing it begins to know kinship as the unifying and inexhaustible medium of all its relations with others. (1999 p. 265)

It is not only that people are born into kinship relationships and understand themselves and others, and interact with their worlds in terms of those relationships. It is also that people can use the categories and processes of kinship to form structured relationships when they need to do this. The 'kinship system' provides a model and 'tool kit' of possible relationships which can occur between people. These can be used by Fijians (and people in any community where kinship structures are dominant) to structure and define relationships when they meet new people or begin interacting with people in particular ways.

When anthropologists examine reciprocity and exchange in non-Western communities they very often find themselves examining various forms of kinship relations. On the other hand, when researchers focus on reciprocity and exchange in Western communities, they find that kinship relations are of minor significance. The focus is on independent individuals exchanging in terms of benefits gained and losses incurred.

The nature of 'goods and services'

It is very easy to focus on material goods and visible services as though they had an existence independent of the people amongst whom they are observed and as though pursuit of them *created* the relationships found between human beings. One might then attempt to classify and compare different kinds of goods and services, trying to understand them as self-existent items, and describe human relationships as the outcome of the pursuit of particular kinds of goods and services. This has been very common in social science theorizing.

However, in any community, the relationships between people and

the uses to which people put goods and services determine the 'meaning' and significance of the goods and services. The goods and services are included in human interaction, but are not the *necessary* cause of those interactions. There cannot be a gift without a giver and a receiver, and the relationship which exists between those involved determines both the gift and the nature of the interaction which occurs.

As we study the nature of reciprocity and exchange, it is important to remember that, among other things, one is focusing on the *tangible evidences* of relationships between people. When one gives a gift, one is saying something about one's relationship with the other party to observers, to the recipient and, of course, to oneself. This is not only true in giving gifts. Each act of borrowing, lending, buying, selling, bartering, taking, giving, begging, stealing, creating, destroying…, carries in it the nature of the relationship which the participants perceive as existing between them and between each of them and their environments (however defined).

To understand reciprocity and exchange, and, ultimately, all forms of distribution of goods and services in any community, one must understand the relationships which exist between individuals and groups in the community. And relationships, in turn, reflect the forms of classification and categorization in the community. Once I know 'where you fit' in relation to me, I will know how to behave toward you and I will know the appropriate forms of reciprocity and exchange in which we should engage. Anthropologists have often reported being given kinship position in the communities they have worked in. They are declared to be 'sons' or 'daughters', 'brothers' or 'sisters' or declared to have some other kinship relationship to community members. Once this happens, people can begin interacting with them 'as though' they were what they have been declared to be (see Christina Toren (1999)). This is why starting ethnographic research by looking at the ways in which goods and services are transferred between individuals and groups will soon lead you to an examination of all forms of relationship within the community.

Models of Reciprocity and Exchange

In most of the social sciences, it is presumed that the relationships which exist between individuals 'emerge' from the processes of exchange in which they engage. Human beings, it is assumed, are first and foremost 'actors' and the social relationships in which they are involved are outcomes of self-interested activity. So, exchange comes first, and groups emerge from those exchanges. Because they are convinced of the importance of reciprocity and exchange in

understanding community organization and interpersonal interaction, theorists in the social sciences have attempted to define the nature of exchange. There have been two directions in which these attempts at definition have gone.

The most common direction has been toward a single definition of exchange. This has been encapsulated most clearly in *economic* models of exchange, but has been replicated in a range of social models developed out of *social exchange theory*.

The second direction has been toward defining exchanges contextually. This approach has assumed that the nature of exchanges is determined by the nature of the relationships perceived as existing between those involved in exchange. There cannot be a single definition of exchange. Rather, the characteristics of exchange depend on the context in which it occurs.

The presumptions about the nature of individuals and communities of human beings upon which these two approaches base their reasoning are very different.

Mark Bosco (2000) provides a response to Annette Weiner's (1992) book on the ethnocentric presumptions built into forms of exchange and reciprocity used in anthropological studies. The account starts from a presumption that the reader will be familiar with Weiner's writing, but it deals with issues which can be understood in their own right.

Weiner claims that life is full of 'duplicities and ambiguities that create tensions that can only be ameliorated and never resolved.' (1992 p. 5) Processes of exchange are predicated on these tensions. In fact,

> Exchange acts fuel these tensions because all exchange is predicated on a universal paradox – how to *keep-while-giving*… The motivation for keeping-while-giving is grounded in… the need to secure permanence in a serial world that is always subject to loss and decay… Even small groups expend enormous efforts and resources, for example, to convince the younger generation to beware of loss, to preserve relationship, and to guard sacred possessions… The paradox inherent in the process of keeping-while-giving creates an illusion of conservatism, of refashioning the same things, of status quo. (1992 pp. 5, 7, 8)

According to Weiner, while people need to transfer goods, services and information between each other to communicate, to sustain relationships, and to obtain other things they need, they feel as though they are losing something important whenever they do so. They are, therefore, impelled to attempt, in some way or other, to restore the status quo, to 'keep' what they are 'giving'. Mark Mosko is less than convinced by this explanation of the nature of exchange. This is a variant of social exchange theory, which we will examine

shortly. It suggests that people are involved in 'cost/benefit' analysis coupled with an inherent human drive to conserve possessions.

Mosko, writing for an audience of anthropologists, presumes that his readers will have a great deal of ethnographic information at their finger-tips. However, the article does introduce us to the confrontation between social exchange theory and studies based on typologies of reciprocity. Weiner espouses the first position, Mosko the latter. This is not a new argument. In anthropology it went under the name of the 'formalist/substantivist' debate for many years and is now resurfacing rather more diffusely as an argument about the primacy of exchange or structure in the fashioning of human relationships.

Despite years of controversy in anthropological circles, there is still a clear division between theorists who view persons as 'unitary, bounded individuals rather than divisible or partible beings' (Mosko 2000 p. 377), and those who believe that to understand individuals and their behavior you must understand the ways in which they are integrated within the communities in which they live.

The approaches to reciprocity and exchange which we are going to examine next illustrate this divide. They are presumed, by those who promote them, to provide a framework for understanding human interaction and the relationships in and through which they occur.

Social Exchange Theory

In Western communities, it is commonly believed that we are all, at heart, pre-social, independent, self-interested, self-promoting, competitive and acquisitive beings, intent on conserving and expanding our possessions and furthering our own well-being and independence, if necessary, at the expense of others around us. There has been a range of models of 'social exchange' developed through the 19th and 20th centuries which are founded on these assumptions. These presumptions provide the base for most economic and social models of exchange. According to social exchange theorists (whom you will meet in various guises in most social science theorizing) all exchange is based on the acquisitive, competitive, and self-interested drives of human beings who want to be independent.

According to this model, if you and I were in an exchange relationship it would be because you perceived me as having something you want (a good grade?) and I perceive you as having something I want (your money?). I look for ways of getting as much money as I can out of you while giving you as little as possible of what 'belongs' to me (I want to 'conserve' what is mine). You look for ways of getting the best grade you can out of me for the lowest price. The relationship

might look like one of cooperation – teacher and student in the pursuit of knowledge – but it is, in reality, competitive, with each of us pursuing our own, independent, self-interested goals. Our relationship will continue for only so long as I can convince you to keep giving me money and you can convince me to keep passing you! Once we see the other as having nothing to offer (you run out of money – I run out of units you want to do) the relationship ends. You might recognize Weiner's paradox of keeping-while-giving in all this.

The development of education in most Western countries, over the past couple of decades, has largely been driven by this caricature of human motivation and sociability, with educational institutions becoming primarily 'profit making' organizations and education being promoted as a 'commodity' or 'consumable'. In the process, communities have devalued education as a cooperative pursuit of understanding and emphasized its value as a preparation for entry into the world of competitive wealth attainment. If it doesn't lead to money, what's the point? Not, of course, that you and I have such a crass view of the value of education!

Edward Lawler and Shane Thye (1999 p. 217) describe the model,

> Social exchange theory assumes self-interested actors who transact with other self-interested actors to accomplish individual goals that they cannot achieve alone. Self-interest and interdependence are central properties of social exchange. Whether it is two lovers who share a warm and mutual affection, or two corporations who pool resources to generate a new product, the basic form of interaction remains the same. Two or more actors, each of whom has something of value to the other, decide whether to exchange and in what amounts.

Social exchange theory shares a great deal of common ground with *rational action theory* and *cost benefit analysis*. Their roots can be found in the Western philosophy of utilitarianism [1]. The approach, with minor variations in emphasis and definition, is also sometimes referred to as *rational choice*, the *problem of collective action*, *research in 'micro fundamentals,'* or *methodological individualism*. In anthropology it is also known as *formalism*, in contrast to the *substantivism* of Karl Polanyi and those who have developed his ideas over the past fifty years. Agnar Helgason and Gisli Palsson (1997), in an article entitled ' Contested commodities: the moral landscape of modernist regimes', examine some of the controversies which still exist between anthropologists who adopt a formalist (social exchange) approach to exchange and anthropologists who adopt a substantivist approach. We will examine Polanyi's ideas shortly.

Lawler and Thye's (1999) article both accepts the validity of the model and reviews the literature on social exchange theory. It

provides an excellent illustration of the ways in which Western ideological understanding becomes unconsciously built into Western 'explanatory' models and a reminder that social science theorizing is not acultural. The ways a theorist sees his or her world, and the basic presumptions about life which are held to be self-evident are usually either explicitly or implicitly written into the theoretical constructs which theorists build.

Social exchange theory presumes that individuals interact in terms of competitive self interest. Their interactions are focused by both *social incentives* to behave in particular socially approved ways and *social constraints* on 'unacceptable' behavior (social 'benefits' and 'costs'). Those incentives and constraints have been developed over time as a consequence of individuals' experiences in the competitive cut and thrust of getting what they feel they need and want. They channel activity to minimize the costs and maximize the gains of interaction for the greatest number in the community (it is in this that the model draws most heavily on utilitarian ideas - the ideal community is, therefore, 'democratic'). In these ways, *ostensible* cooperation between individuals and groups emerges and a variety of communal structures develop to further what are, ultimately, individual, self interested activities aimed at meeting individual needs and wants in an environment of competitors and scarce resources. The innate traits of human beings turn out to be remarkably similar to those of individuals as defined in Western industrialized communities.

Claude Levi-Strauss (1963, pp. 279ff), an anthropologist writing during the 1940s to 1980s, made a distinction between what he called 'home-made' models of social interaction and organization, and models designed to uncover the basic presumptions and principles upon which social life is constructed. Home made models *perpetuate* the phenomena they claim to explain. Explanatory models elucidate the fundamental presumptions and principles upon which social life is built. Although those who employ the conscious, home made models will claim that their use 'explains' social phenomena, in fact, they are part of the ideological acculturative process. The use of the models reaffirms and reinforces the behaviors, attitudes and understandings which they are supposed to 'explain'. According to Levi-Strauss,

> conscious models… are by definition very poor ones since they are not intended to explain the phenomena but to perpetuate them. Therefore structural analysis is confronted with a strange paradox well known to the linguist, that is: the more obvious structural organization is, the more difficult it becomes to reach it because of the inaccurate models lying across the path which leads to it. (1963, p. 282)

As you have already seen in Mosko's (2000) article, many anthropologists are wary of models which employ a singular definition

of the nature of social exchange such as that presented in social exchange theory. However, theoretical models which either explicitly or implicitly rely on this set of assumptions about human interaction are very common in social science theorizing.

For researchers and theorists who espouse a variant of social exchange theory, individual human beings are primary. Social organization and social interaction – *exchange networks* [2] - are outgrowths of individual human beings trying to fulfill their own needs and wants and ensure their status as independent individuals. So, individual human beings, and the relationships they form in the process of achieving their independent goals come first. Change the needs and wants of individuals and they will change their interactions and, consequently, the social structures which have emerged to facilitate the pursuit of their independent ends. In the words of George Homans who wrote widely from this perspective in the mid 20th century,

> … elementary social behaviour, pursued long enough by enough people, breaks through the existing institutions and replaces them. Probably there is no institution that was not, in its germ, elementary social behaviour. (Homans, 1961 p. 1)

Social structures and institutions emerge from the interactions of independent individuals pursuing their own private ends. The relative statuses of people and the relative power they exercise are also derived from these relationships, driven by people trying to ensure that they retain any advantages they have in the exchange process. Linda Molm, Gretchen Peterson and Nobuyuki Takahashi (2001) sum up the relative power positions of human beings in interacting groups like this:

> The concept of dependence is pivotal to the theory's analysis of power. Each actor's power derives from the other's dependence: A's power over B increases with B's dependence on A, and vice versa (Emerson 1972a, 1972b). Inequalities in power and dependence create power imbalanced relations, in which the less dependent actor has a power advantage over the more dependent, disadvantaged actor. The theory distinguishes between power as a structural potential, determined by actors' relations of dependence, and power use as the resulting inequality in benefits obtained by more and less powerful actors in a relation or network. The former affects the latter, in that imbalances in power tend to produce corresponding inequalities in exchange benefits.
>
> Because power is a function of dependence, predicting power and its use requires identifying variables that affect actors' relative dependencies. (Molm et al 2001 p. 259)

According to social exchange theory, if two people are in an exchange relationship, the person most committed to making the relationship

work is in a disadvantageous position. That person will have put more 'resources' into making the relationship a success than the other person and so the 'costs' and 'benefits' of the relationship vary inversely to the commitment of the participants. The one who is more committed will have to 'pay' more than the other party to maintain the relationship – they become relatively more 'dependent' on the relationship. People who are in 'relationships of dependence' feel subservient to those on whom they depend and so, inevitably, human beings dream of independence, of not having to rely on others for their needs and wants.

Redistribution – another form of exchange

Social exchange theory presumes that human *action* is primary and that social structures and institutions emerge out of human interaction and are finally sustained by it. But what if human action is instituted by the structures of the community? Then the forms of interaction which occur will be determined by the forms of organization and by the ways people are brought up to behave through their placement within the social whole. Community structures will be primary and human interaction and exchange will reflect the ways in which communities are organized.

This was the focus of a great deal of Marxist theorizing [3] of the late 19th and 20th centuries. Human beings, Karl Marx believed, behave as they are brought up to behave, determined by the ways in which their society is organized and articulated to the material environment, that is, the 'relations of production' which exist in the society. In his own words,

> In the social production of their existence, men inevitably enter into definite relations, which are independent of their will, namely relations of production appropriate to a given stage in the development of their material forces of production. The totality of these relations of production constitutes the economic structure of society, the real foundation, on which arises a legal and political superstructure and to which correspond definite forms of social consciousness. The mode of production of material life conditions the general process of social, political and intellectual life. It is not the consciousness of men that determines their existence, but their social existence that determines their consciousness. (1859 p. 1)

Marx, a Western person, assumed that 'relations of production' would be central to the ways in which people are defined and interact. The self-interested, competitive, acquisitive individualism of Western communities is an inevitable consequence of the stage they have reached 'in the development of their material forces of production'. It is instilled in people through their upbringing. Capitalist societies require self-interested, competitive individualism and so people are

brought up to display those characteristics in their interactions. In other societies, people will be trained to behave in ways required by the dominant 'relations of production' of their communities. Economic exchange is the kind of exchange required for capitalism to work.

Marx was a thinker of his time, and an optimist. He was convinced that human societies were evolving toward a particular set of 'relations of production'. There would be a final structuring of society reached, where human beings would fully understand the productive potential of their environments and would harness that potential for the greatest good of each individual in the society. Individuals would, 'naturally', be brought up to behave in ways required by the dominant relations of production, ensuring that, at last, each person would contribute what he or she was able to the social whole and receive what he or she needed. This is the meaning of the term 'communism'.

Karl Polanyi, an economic historian writing in the middle of the 20th century was strongly influenced by Marxist ideas, but less than convinced about the evolutionary direction of human development. He argued that,

> the term *economic*, as commonly used to describe a type of human activity, is a compound of two meanings. … The first meaning, the formal, springs from the logical character of the means-end relationship … from this definition springs the scarcity definition of *economic*. The second, the substantive meaning, points to the elemental fact that human beings, like all other living things, cannot exist for any length of time without a physical environment to sustain them; this is the origin of the substantive definition of *economic*. The two meanings… have nothing in common. (1977 p. 19)

On one hand, there is an economy as defined in economic theory and as experienced in Western communities. This economy works best if people behave as self-interested, competitive, acquisitive individuals because it is a 'market' economy. People are brought up to behave in ways which will ensure their success in such an environment. Polanyi argued that the particular ways in which human beings utilise their material environments and the forms of relationships through which goods and services are distributed throughout the society, are not derived from innate individual human traits and instincts and are not 'natural' consequences of exploiting material environments (it was in this assertion that he parted company with Marxists). Rather, the ways in which people behave and the ways in which they use their material environments are determined by the ways in which their communities are organised.

He claimed that there is an *economistic fallacy*, which 'consists in a tendency to equate human economy with its market form.' (1977 p. 20) The *substantive* economy in any community, he argued, is

embedded in the organization and interactions of the community. So, exchange relationships are determined by the structure of the community rather than the structure of the community being determined by exchange relationships. To demonstrate that not all economic activity is organised like a Western market economy he described the economic activities of ancient historical Mesopotamian communities, showing that they were very differently organised. He labelled the system he described a *redistributive* system.

> Redistribution stands for a movement towards a centre and out of it again, whether the objects are physically moved or only the disposition of them is shifted. (1977 p. 36)

He claimed that in communities which are organised with a wide peasant base and a hierarchical leadership structure, goods and services initially flow from the peasant base upward through the hierarchy. If you examined the system at some periods it would appear that there was a systematic exploitation of the peasant base by the elite of the community. However, it is the task of the elite not merely to use the surpluses they receive, but to provide a range of services and to store and redistribute surplus production to community members who are in need. So, if you examined the system from the perspective of the elite or during times of hardship, you would find that there was a reverse flow occurring. Goods and services would be flowing from the centre out toward the peasant base. To understand how such an economy worked one had to understand the organization of the society, not merely individual exchanges. What might be seen as an exploitative system from either perspective, could be shown to be a 'social welfare' system when one looked at the long-run activities of all members of the community.

A reciprocity continuum

Polanyi's challenge to economic theory was based on his claim that there are forms of exchange of goods and services which do not conform to the definition of exchange which is used in economic and social exchange theory. So, it was a fallacy to claim that economic and social exchange models could be applied universally. This was a fairly rudimentary attack on the universal validity of social exchange theory, but it was a start. Polanyi's models did not explain *why* different communities had different forms of redistribution and exchange, only that it could empirically be shown that this was the case. It remained for someone to provide a model of exchange relationships which would spell out why it was possible to have such different forms of community organization and interpersonal exchange.

The next major contribution to the debate came from Marshall

Sahlins. Although Sahlins' model of exchange relationships provides a way forward, it does not directly deal with the kinds of exchange Polanyi described. Rather, it describes forms of exchange between people who are roughly equal in status within a community. Polanyi introduced a focus on hierarchically structured exchange relationships, the ways in which goods and services moved through political and social hierarchies. Sahlins was more concerned with the ways in which kinship and social distance influenced exchange relationships. He explains this in his most influential book on the subject, *Stone Age Economics,* when he says,

> Rank difference as much as kinship distance supposes an economic relation. The vertical, rank axis of exchange – or the implication of rank – may affect the form of the transaction, just as the horizontal kinship-distance axis affects it. (1972 p.206)

Polanyi's redistributive system is one focusing on exchange between people of different rank (the 'vertical, rank axis of exchange'). Sahlins' model of reciprocity and exchange focuses on the horizontal axis: the ways in which the nature of exchange differs with the degree to which people see themselves as 'related' to each other, coupled with the amount they have to do with each other.

Some anthropologists have examined a range of 'spheres' of exchange [4], usually meaning that there are exchange complexes which are focused within particular organizational areas of a community. As Frederick Damon (1993 p. 243) describes for the U.S.A.,

> there are spheres of gifts, of wage labor, and of productive and financial capitals. It is easy to show that each operates by different principles with different purposes. It is also easy to show – requiring only a book or two – that complex patterns of reciprocal dependencies, with painful contradictory consequences, govern their interactions.

Damon goes on to describe similar spheres of exchange for a community involved in Kula exchange. We will examine Kula exchange more closely shortly. You need to remember, when examining Sahlins' model of exchange relationships, that he is dealing with one of the spheres of exchange which exist within communities. The nature of reciprocity and exchange become much more complex in Sahlins' typology than they appear when one examines simple interactions between two individuals in face to face relationships as in social exchange theory.

The key to understanding Sahlins' contribution to the debate on the nature of exchange is that he, following Polanyi's lead, envisaged more than one definition of an exchange relationship. He concluded that the kind of exchange relationship which would be found between

two individuals or groups was determined by the nature of the relationship which existed between them. There are many possible definitions of exchange, since particular instances of exchange and reciprocity are *individuated* expressions of relationships which exist between categories of people.

This points us directly to the kind of model which Levi-Strauss (1963) called a 'structural' model, based on the unconscious principles of categorization and classification which exist within any 'structured' community. One can understand exchanges best when one realises that they are visible expressions of the kinds of relationship which people perceive as existing between themselves, making them into a *community* of human beings.

The relations which people perceive as existing between themselves are a sub-set of the relations which occur within and between the classificatory categories of thought which each member of a community learns from his or her community from the moment of birth. You can't 'think' without such a classificatory structure since thought is a process of comparison to determine similarities and differences between perceived items (and that is the definition of *classificatory categorization*). These relations of similarity and difference are expressed in all forms of structured communication between people, from language to the exchange of material goods and services.

The classificatory categories of any community have been unconsciously developed over the history of the community and so will be unique to that community. Yet, because there is a finite set of relations which can occur between elements in a structure, there will be many apparent similarities between communities. We can't pursue this further here, but, in *formal system* analysis it is recognised that there is a variety of kinds and combinations of relationship which can exist between elements of a structure. As the Encyclopaedia Britannica puts it,

> Each formal system has a formal language composed of primitive symbols acted on by certain rules of formation (statements concerning the symbols, functions, and sentences allowable in the system) and developed by inference from a set of axioms. ("formal system" *Encyclopædia Britannica Online*. <http://search.eb.com.au/bol/topic?thes_id=153894> [Accessed 11 February 2002].)

Since human beings are sentient and capable of reflexive thought, they do not merely conform to the structural requirements of the system in which they live. They are able, individually, to focus on, and compare and contrast the forms of relationship they are involved in and so experiment with alternative definitions of, and behaviours in

structured interactions. That is, they *individuate* their social relationships, just as they do every facet of their experience and understanding. This is what Mosko is referring to when he says,

> Melanesian persons are best understood, not as the 'indivisible' unitary beings of Western jurisprudence but as 'dividual' or 'partible' agents who, in seeming to exchange objects with one another, detach and attach respective parts of persons… (2000 p. 381)

People are constantly defining and redefining themselves in their interactions. The structure is, necessarily, conservative, but it is neither static nor completely prescriptive.

Sahlins points to this when he says that,

> it is not only that kinship organises community, but communities kinship, so that a spatial, coresidential term affects the measure of kinship distance and thus the mode of exchange (1972 p. 197).

While, in many communities, exchanges are formally structured by kinship relationships, kin who live close to each other develop closer relationships than kin living at a distance. This results in different forms of exchange developing between an individual and two or more kin who might share the same kinship relationship with him or her but live closer or further away. However, the set of relationships from which they build their individuated interactions is already spelt out in the social structures of their community. This is the point of Christina Toren's (1999) discussion of the ways in which Fijian kinship relations pattern interactions between people in Fiji. As she says,

> A Fijian village child lives kinship as the very medium of existence; such a child constitutes ideas of self and others or, in simpler terms, comes to be who he or she is, in reciprocal relations between kin. (1999 p. 265)

Sahlins is suggesting that the forms of reciprocity which will be observed will take their character from the forms of social relationship which exist between exchangers as members of a structured community. And, in turn, the social relationships which exist between the exchangers will depend on the number and kind of relationships summed up in each person. People are *nodes of relationships* and their interaction with each other person or group is 'flavoured' by the blend of relationships in which they are involved.

If you stop for a moment and think of yourself. You 'know' who you are by the way you relate to everything around you. All the perceived relationships between yourself and all the recognised elements of your environments, provide the raw material from which you construct your self-image. If someone tries to change those perceived relationships, that person assails your self-image. You, inevitably, react to defend your definition of yourself. That is, you try to *conserve* your present definition by conserving present recognised

relationships.

A short-hand way of determining how a person defines himself or herself is to ask him or her to tell you 'who' someone else is. Then, listen to what they focus on as important in defining the person.

Human beings, born into communities, are taught that certain forms of relationship are important, and so, in any community, one will find that some kinds of relationship are emphasised more than others. In Western communities many individuals are taught that competitively balanced exchange is important and that each individual should value privacy, independence, and material possessions. Relationships tend to take their 'flavour' from these values. As we will see shortly, not all communities see these values as important.

To understand an act of exchange one has to understand the relationship which the participants in the exchange perceive as existing between them. The form of an exchange between family members will be different to the form of an exchange between strangers (and different to the forms of exchange found between people of variant rank or status in the community). A guide to understanding the ways in which exchange relationships differ, with categorization between people within 'spheres' of exchange in communities, can be gained by considering reciprocity and exchange as occurring on a continuum of relationship as below:

In using this model, you need to remember that you are dealing with a *continuum* of relationships, not just three different relationships. As you move from left to right along the line, the relationship is progressively based on perceiving fewer similarities and more differences between participants in an exchange [5]. The resulting exchange behaviour takes its flavour from those perceptions and so varies as you move along the line.

The more two people see themselves as 'related', that is, as sharing a common identity, the more they will emphasise sharing rather than holding sets of separate possessions. So, when one person wants something the other has, they will tend to assume the right to take it and use it, rather than having to 'ask permission' or 'buy' it from the other person. Generalised reciprocity is a very common form of exchange within nuclear family groupings. There are many possessions that belong to the household rather than to the individuals in the household. Members use them when they need to without having to ask permission of other family members. The item might be in the possession of one of the members, but it can be taken and kept by another member until someone else needs it.

Degrees of similarity and difference between people are *contextually* defined. I might emphasise my 'difference' from other family

members when acting inside the home. I might emphasise 'similarity' to my family members when we are acting as a unit in a wider setting. And, perhaps, I, my family, the family of my uncle and/or my aunt might act as a unit in a still wider setting. So, depending on the context, I might well behave differently toward members of those groups at different times. Sometimes I will emphasise our differences, by insisting that some things are 'mine' and others are 'theirs'. But, sometimes, in different contexts, we will emphasise our similarity, finding it much easier to 'share' things with each other. I'm sure you can think of times when you were with a wider group and presumed that you could use things the group had which you would never presume to use if you were not part of the 'same' group.

The less interacting people see themselves as sharing the same identity, the more differences they will recognise as existing between them. This will make it more likely that they will have to ask permission to use an item in the other person's possession. As the differences increase, they will increasingly feel the need to 'balance' the relationship by offering something to the other person in exchange for the item they want to use. The people involved will tend to hold separate sets of possessions and feel that they are 'losing' something when an item they have is given to the other person (there is a conservation principle at work).

By the time we reach the mid point on the diagram above, there is a feeling that when something is given to one person, the other should get something of fairly equal value in return. The exchange should be 'balanced'. In most forms of exchange to the left of the diagram, the people involved in exchange feel themselves to be in some degree related to each other and are not interested in making a 'profit' at the expense of those with whom they associate. The more closely they consider themselves to be integrated with each other, the more complete the sense of sharing possessions among them becomes. Exchanges on the left side of our diagram tend to reinforce social relationships based on similarity and often seem deliberately designed to do this.

The 'balanced reciprocity' relationship is most commonly found between acquaintances rather than friends, people who are considered connected with us in some way, but are very definitely not members of our 'in-group'. Neighbours in Western communities are often in this kind of relationship. One doesn't feel that it is right to make a profit out of them, but exchanges should be balanced and when something is lent or borrowed it should fairly promptly be returned.

As we move to the right of the diagram, people who interact with each other emphasise their differences rather than their similarities.

The less like each other they consider themselves to be, the more they emphasise keeping their own possessions and trying to get yours for as little cost as possible (Weiner's 'keeping-while-giving' relationship). If you have this kind of relationship with another person you have no problem in 'buying' and 'selling' items. If you try to buy and sell to people on the left side there is an uneasy feeling that this is not the appropriate thing to do.

This is one important reason why many business activities in close knit communities fail. Outsiders do much better at business because they can buy and sell without resentment developing in the community as a result of their activities. Of course, by engaging in competitive exchange they are also cementing their definitions as 'outsiders'. This can be a trap for researchers engaged in ethnographic research. If you 'pay' for information, you are going to get the kind of information people tell 'outsiders'. You are, at the same time, ensuring that they categorise you as an outsider.

In any community one will find *all forms* of reciprocity. It is not that in some communities one finds generalised reciprocity and in other communities one finds balanced or negative reciprocity. Rather, in every community one will find people who are closely defined as similar to each other and others who will be less closely related. And all these relationships are, of course, relative to the person on whom attention is being focused. One will also find people living in neighbouring communities or on the fringes of communities who are defined as primarily different from community members. Expect to find that the forms of exchange which occur will reflect the relationships perceived as existing between people. They will also, in quite different ways, reflect the status, rank and prestige differences which are perceived between people.

It is time to examine ethnography. The aim in the next three sets of ethnographic writings you will be examining is to introduce you to some of the forms of reciprocity and exchange which are found within communities. These writings provide information on a number of different focuses or 'spheres' in exchange. First, there are the day to day exchanges and interactions which occur between people in supplying their needs and wants and in smoothing their relationships with each other. Second, there are exchange complexes which are clearly focused on status attainment, status maintenance and the challenging of statuses in the communities. Third, there are exchanges which seem to focus on relationships between groups, providing means for maintaining, challenging and reassessing the relative positions of leaders and the groups which they represent.

Ethnographies of Reciprocity and Exchange

Kula Exchanges

Perhaps the most famous description of processes of reciprocity and exchange within a society is Bronislaw Malinowski's (1977) description of *kula* exchanges in the Trobriand Islands of Papua New Guinea. The exchange network that he describes in that brief article still exists in the present, though it has altered considerably in response to the enormous pressures for change which the people of the island group have experienced since Malinowski wrote his description in the early 1920s.

In his description of exchange on Normanby Island, Carl Thune focuses on the 'specific way it is tied to and grounded within a local village world of exchange strategies and transactions between related matrilineages' (1983 p. 345).

Thune's ethnographic account of the structure of village and Kula exchange on Normanby Island provides a lot of information on a range of forms of reciprocity and exchange. It shows how the context in which exchanges take place determines whether a larger or smaller group is included in the 'sharing' of goods, and how competitive exchange is similarly contextually determined. Sometimes the *susu* is the important basic unit, sometimes it is the *kasa*. And sometimes it is the larger village which people see as the basic unit in which they are united with the other members in a sharing relationship. People outside the recognised unit, 'trade' and 'barter', that is, engage in various forms of 'balanced' exchange (sometimes competitive, sometimes not) with unit members.

The potlatch

The Potlatch System, as famous in anthropological literature as the Kula Ring, was first described by Franz Boas(1966) at the beginning of the twentieth century. Stuart Piddocke (1965) sketches the main elements of the system after providing a brief ethnographic contextualisation of the information. Anthropologists have often attempted to explain non-Western forms of exchange in Western economic terms. In his opening paragraph Piddocke says, 'the potlatch had a very real pro-survival or subsistence function, serving to counter the effects of varying resource productivity'. Stanley Walens (1981) provides a very different picture of the nature of the potlatch system.

Piddocke focuses very strongly on the ways in which the Kwakiutl manage and utilise their resources, a distinctively Western set of concerns. Walens (1981) provides a very different focus. He argues that,

> It is impossible to understand Kwakiutl culture, and the structure and meaning of Kwakiutl behavior, without first understanding their basic ontological system [the system through which they structure nature and relations of existence] and the principles of causality on which it is based. These causal principles delineate the organization and operation of the physical world and man's role in affecting events and their outcome. (1981 p. 21)

Walens insists that systems of reciprocity and exchange like those of the Kwakiutl and of the Trobriand Islanders should be understood through the ways in which people involved in them categorise and classify their worlds and interact with each other in terms of that organization. Walens, in a book called *Feasting with Cannibals: An Essay on Kwakiutl Cosmology* (1981), not only reinterprets the ethnographic information on Kwakiutl social organization and interaction, but also explains why he considers this essential.

If Walens is correct then to understand reciprocity and exchange among the Kwakiutl one must take both the natural and supernatural realms into account. To focus only on exchanges between human beings in this world would be to miss the determining rationale of those exchanges. It is not enough to spell out a variety of forms of exchange between people. Nor is it enough to 'explain' exchange relationships by identifying the kinship relations which determine their form. One must know what underpins the relationships they perceive between each other. And, among the Kwakiutl, that requires an understanding of the ways in which they bring together what Western people would call the natural and supernatural dimensions of existence. A focus on relationships, without an understanding of the *cosmology* of the people involved, will result in a less than adequate understanding of what is going on for the people involved in them.

Westerners, strongly conditioned to keep the natural and supernatural separate, and suspicious of the true value of what is for many an ethereal realm, often display a blindness to metaphysical understandings in the communities they examine. It is simply 'not important' to explore that dimension of (un)'reality'. Walens reminds us that this is an ethnocentric position to adopt. We will miss a great deal if we fail to take *all* the understandings of people into account in trying to understand their way of life. If we focus on *what* people do but do not research the *why* of their behaviour we are very likely to misunderstand the significance of what we are observing.

Fighting with food

Michael Young (1971), in a description of exchange in a Massim society strongly emphasises the kinship relations between people and shows how these determine and regulate the nature of exchanges and interactions between people in Massim society. If you did not know the kinship relations, you would certainly find both gardening and Abutu among the Massim very difficult to understand. He also spends time describing the ritual activity which Massim consider essential to successful gardening and to the achievement and maintenance of status and rank. There is no division of the world into natural and supernatural realms. Rather there is one realm which has both of these dimensions included in it.

The nature of exchange is not nearly so simple, nor so easily explained, as social exchange theory would suggest. Although Ockham's razor suggests that the simplest explanation is usually the right one, this is only true if you have taken all the relevant information into account. And, as we have seen, the relevant information can often be invisible to a person who starts with the assumption that his or her understanding of the world is the only understanding, or the 'right' understanding. Both Walens and Young show us that an understanding of the nature of reciprocity and exchange is only possible when the cosmologies of the communities in which they occur are understood.

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1 See Milan Zafirovski (1998) for a discussion of the nature of this connection.

2 For a discussion of the nature of exchange networks, see Whitmeyer Joseph M. 1999, Interest-Network Structures in Exchange Networks, *Sociological Perspectives*, Spring Vol. 42 No. 1 p. 23

3 Marxism was extremely influential through most of the 20th century and still has a strong following. The Web site http://www.marxists.org/ provides a comprehensive coverage of Marxist writings. For a clear summary of Marx's ideas see Fischer E. and Marek F. 1973, *Marx in His Own Words* (Translator: Anna Bostock) Penguin Books, Harmondsworth

4 For discussion of the notion of spheres of exchange, see Guyer Jane I. 1995, Wealth in People, Wealth in Things-Introduction, *The Journal of African History* January, Vol. 36 No. 1 p. 83 ;
Pannell Sandra 1993, 'Circulating Commodities': Reflections on the Movement and Meaning of Shells and Stories in North Australia and Eastern Indonesia, *Oceania*, September Vol. 64 No. 1 p. 57

5 This is, of course, not the only such set of relationship possibilities. One can also have, among others, continua of complementarity, displacement, containment, and accompaniment. The reductionist enterprise undertaken in social exchange theory strips away and treats as irrelevant all such multi-dimensional aspects of human relationships.