

## **Reciprocity, redistribution, and socially embedded economic relations**

© Copyright Bruce Owen 2007

- In our culture we assume that people are "**rational actors**" or "**rational maximizers**"
  - classical capitalist market theory assumes that
    - people have infinite wants and limited means
    - so they rationally allocate limited resources to alternative ends
    - in order to maximize the satisfaction of their needs
    - each actor intends to maximize his or her benefit in every exchange
- Anthropologists say that this is not universal
  - this concept the people are "rational maximizers" is just an arbitrary social construct
    - even though it seems so normal and obvious to us
  - some people simply do not show unlimited wants
    - they act satisfied with what they have, and don't bother to try for more
  - Economists' alternative interpretation: people maximize "utility"
    - utility includes non-material things, like happiness, free time, honor, etc.
    - if we include the right things in "utility", then everyone really *does* strive to be a rational maximizer
    - but in practice, economists rarely actually consider these non-material aspects of "utility"
- Systems of exchange
  - **Market system**
    - impersonal exchanges, not embedded in social relations
    - value of goods set by supply and demand
    - exchanges usually mediated by money (**currency**)
      - *tokens* of wealth
        - all items can be valued in the currency
      - portable
      - easily divisible
      - easily exchanged
        - currency is usable for any transaction
      - difficult to falsify
    - money or currency is not the same as **wealth**
      - wealth may consists of sacks of wheat or apartment buildings, which are not normally directly exchanged for other things
        - in a market system, wealth has to be converted to currency first
          - by selling the goods for currency
          - or at least theoretically converted
            - by valuing them exactly in currency
    - **special-purpose currencies**, like subway tokens
      - usable only for specific kinds of transactions
      - not easily exchangeable for general currency
  - **Redistribution**

- some portion of production is turned over to a central person or institution
  - traditionally expected gifts to a chief
  - tithes to a church
- that person or institution accumulates a considerable quantity of goods
- and doles them out again to others
  - may serve as a safety net for farmers in bad years
  - may support specialists like shamans, people who make fancy goods for the chief so he will look the part, etc.
- this allows the chief, church, etc. to wield a certain degree of real power, since the central institution determines who gets what and how much
- and the chief, church, etc. can use some portion for their own ends
- **Reciprocity**
  - **generalized**
    - no expectation of exact or prompt repayment
    - exchange is just a small part of the social relationship
    - as between parents and their children
    - or between members of a foraging band, like those of the !Kung
      - where even thanking someone for something is considered rude
      - because it would imply that the transaction was unusual, or anything other than expected
  - **balanced**
    - the giver expects something more or less equivalent in return
    - the repayment is often delayed, establishing a relationship between the giver and the receiver
      - this is the most typical form of reciprocity that people usually think of when they hear the term
  - **negative**
    - the giver expects something of greater value in return
    - that is, he or she plans to profit from the transaction
    - often, payment has to be immediate, because the parties do not really trust each other; each is trying to get the better of the other
    - the extreme case is theft
    - there is still reciprocity - you steal from me, I return with my friends to beat you up, and so on.
- These systems of exchange are not mutually exclusive
  - our society has all three
  - market exchange: our obvious money economy
  - redistribution: taxation and spending by the government, collection and use of donations by churches, etc.
  - reciprocity:
    - holiday and birthday gift exchanges between kin and between friends
    - exchanges within families such as parents supporting their children, and children taking care of elderly parents

- exchanges of favors, social invitations, etc. among friends and acquaintances
  - which should be roughly balanced
- Key idea: Economic exchanges are embedded in social relations
  - originally proposed by Marcel Mauss in "The Gift"
  - discussed by Cronk in "Strings Attached"
  - economic exchanges establish and maintain social relationships
    - often, the relationship is the main point, rather than the goods
      - as in exchanging birthday gifts with someone, year after year
  - another aspect of this idea: economic relations may only make sense in terms of the social relations in which they are embedded
    - gift exchange and other economic behavior is very different between friends, between parents and children, and between workers and their bosses
      - you can't understand this economic exchange without understanding the social relations that surround it
  - "it's not about the stuff"
- Classic examples of economic activities that make sense only in terms of the social relations in which they are embedded
  - **Kula ring** exchange among the Trobriand Islanders
    - Described in the readings by Malinowski (who did this classic research) and Robbins (for the next class session)
    - arm bands (also called arm shells) are given as gifts in one direction around the ring
      - necklaces are given as counter-gifts in the other direction
      - with moderately long gaps in between
      - the items have no practical value, but are very showy
      - they are individual, unique, named, with known histories of ownership by illustrious kula traders
    - they cannot normally be bought or sold for money or traded for other goods; they are only suitable for giving as gifts to be recompensed with the corresponding other kind of item
    - giving them confers prestige by demonstrating generosity
    - holding them confers prestige by showing what good connections you have built up through social skills
      - but holding them too long makes you look stingy
    - there is little or no practical reason for this economic exchange practice
    - but it is crucial for men's (and a few women's) pursuit of social status
  - **Moka**
    - Described in Robbins reading for today
    - Melpa of central highland Papua New Guinea (the region shown in the video, "Ongka's Big Moka")
    - this group is related to the Kapauku Papuan agriculturalists in the reading by Pospisil, who have a similar pig feast system
    - men aspire to be "Big Men"

- to be a Big Man, you have to prove yourself in warfare and in competitive gift-giving ceremonies called moka
- goal is to give more than you got, ideally to give more than the recipient can repay
- the exchanges go back and forth, escalating each time
  - there is an editing error in the reading (Robbins, p 220)
  - the amount given and owed should ratchet up each time, not level off
- since mobilizing enough goods (especially pigs) requires contributions from many people, each moka exercises a large number of social relationships
- maintaining not only the Big Man's status, but also the whole network of kinship and alliances through many complex reciprocity relations
- this is clear at the moka itself, which is not a single big gift at all, but a collection of many gift exchanges
  - every contributor is named and his contribution counted out and displayed
  - many people besides the main recipient also get some of the goods, in highly formal, pre-arranged exchanges with much elaborate oratory to bring them to everyone's attention
- **Potlatch**
  - description - see Harris reading
    - this article also covers other important concepts in economic anthropology; it is worth a careful, if skeptical, reading
  - Northwest coast of north America
    - Kwakiutl, now more correctly called Kwakwak'awakw
  - competitive feasting
    - chiefs seek to prove that they are the most worthy to hold their positions
    - give away or even destroy: blankets, boxes of fish oil, copper ornaments, etc.
      - changed over time, with greater access to industrial trade goods... eventually tinware, enamelware, even a pool table
  - Marvin Harris's explanation
    - Harris suggests that potlatching balances out variation in production by redistributing surplus
    - it gets everyone to work harder and produce more, creating a safety margin
    - as you know, Harris is an extreme cultural materialist
      - many anthropologists reject his explanation here as being excessively materialist
      - he argues that the desire for prestige (the *emic* explanation that the Kwakiutl would use to explain why they practice potlatch) is actually a result of economic circumstances (an *etic* explanation proposed by Harris)
        - this is Harris's cultural materialist viewpoint: that infrastructure (the economic realities of life) determines superstructure (in this case the ritualized, social, political practice of potlatch)
    - Harris also suggests that this kind of practice was the origin of complex, socially stratified societies
      - over time, there would be a progression from hard-working big men, to managerial (exploiting) chiefs who skim enough to be wealthy and not work so hard... eventually leading to kings and states

- this may seem plausible, but remember that it is mostly hypothetical.
  - even when he talks as if he had been there to see it
- many anthropologists would say that this is a gross oversimplification, or even flat-out wrong
- but even if so, the ideas he is playing with are worth understanding, if only to recombine them in different ways, in other contexts

#### – Clientage

- another kind of social relation created by economic exchange
- a wealthy or powerful **patron** gives ongoing gifts, support, food, use of land, etc. to a less-wealthy **client**
- the **client** is never expected to be able to pay back the gifts of the **patron** in kind
- so the client has to be subservient, paying back with loyalty or service
- this is prone to lead to loss of dignity by the client, if not actual abuse
- the social relations involved in this form of exchange have a profound impact on the lives of clients, and possibly of patrons
- Carrier's analysis of gift exchange as creating and recreating social relationships
  - this is laid out in one of the readings by Robbins for the next class session
  - some ideas of gift exchange, illustrated by American Christmas gift practices
  - a gift is only a gift if it is meaningful
  - that is, a gift only has meaning, or works to establish or maintain a social relationship, if it is *connected* to the giver
    - a gift has to represent a personal sacrifice by the giver, giving up something connected to him or her, or it is meaningless
      - and a meaningless exchange does not establish or maintain a social relationship
  - in Carrier's terms, an object that is connected to someone is a **possession**
  - a possession is **inalienable**
    - it has a permanent connection to its owner
    - like something the owner made himself or herself
    - someone else can hold the object, but it is still connected to its owner
    - like your inalienable rights
      - you cannot sign them away or sell them
      - they are inherently yours by virtue of your being human in our culture
      - (despite recent laws to the contrary)
- a **commodity** is an **alienated** object
  - one that has no connection to its maker, owner, or anyone else
  - it can be bought and sold simply, with no social relations involved
- Carrier argues that commodities have no meaning as gifts
  - they are ineffective at creating and maintaining social relations
- they have to be converted into possessions to work as gifts
- this process of converting a commodity into a possession is called **appropriation**
  - appropriation undoes alienation
  - in connects a commodity to a person, changing it into a possession
  - ways that Americans appropriate commodities in order to give them as gifts

- monogramming
- wrapping
- developing a history for the object (perhaps through catalog advertising copy), etc.
- by selecting an object that embodies the giver's personal knowledge of the recipient's needs, tastes, personality, etc.
- or perhaps by the arduous act of shopping for the perfect item
- why do many people go to all the trouble and expense of shopping and gift giving at Christmas?
  - in order to create and recreate relationships
  - through appropriation and gift exchange, money is converted into family ties