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EXCHANGE AND SOCIAL STRUCTURE

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## ABSTRACT

### EXCHANGE AND SOCIAL STRUCTURE

BY

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In the sociological and social anthropological literature, one can discern two models of the exchange process. Neither of these models are incorrect, but they are applicable to somewhat different empirical situations. The author has constructed a theoretical argument incorporating scope conditions which cover the significant features of these contexts.

The discussion begins with a brief description of two models of the exchange process. Exchange phenomena will then be considered within the context of a social structure. The focus will be on two basic processes: the impact of social structure upon the ongoing transactional sequences; and the role of the exchange process in shaping the form of a social network.

A pivotal concept in this discussion is the idea of exchange content. It is defined as that which the transactors themselves perceive as being "given" and "received". Social roles are considered as channels which guide, restrict, and facilitate the flow of exchange contents. Role expectations function to govern the appropriateness of certain content in an exchange relation. An important issue is the problem of combining different kinds of exchange content within multiplex role relations.

Another important social structural dimension is the problem of the transactor's social location. Transacting incumbents are treated as if they are embedded in a larger social network that conditions their exchange options. The conceptual portrait of social reality is one of a collection of transactors welded into a much larger social network. Exchange content is continually circulating throughout the network in different kinds of "channels".

EXCHANGE AND SOCIAL STRUCTURE

By

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## EXCHANGE AND SOCIAL STRUCTURE

### I. Theoretical Perspectives of the Exchange Process

Underlying the complex phenomena of social interaction is a basic process of social exchange. Individuals are continually performing transactions in relation to one another. In the sociological and anthropological literature one can discern two different models of the social exchange process. One model is based upon the work of George Homans and it has been further elaborated by Peter Blau. This theoretical apparatus was constructed from and checked with observations of social interaction in Western urbanized settings. Its intellectual heritage lies in the very roots of Anglo-American cultural history. The philosophical underpinnings are best described as "unrestrained utilitarianism".

This particular model assumes that man's social behavior is determined by a calculus geared toward considering cost-gain outcomes, in the continuous pursuit of "profit". The components of this calculus make homo sociologicus simply a slightly different version of the classical economist's homo economicus. All social activity is reduced to nothing more than a set of acts performed in order to gain advantages. As Blau states it,

"Social exchange is. . . limited to actions that are contingent on rewarding reactions from others and that cease when these expected reactions are not forthcoming." (Blau, 1964:6)

In this statement we can find the distinguishing feature of this model. The reciprocity process consists of a "quid pro quo" or "unconditional one-for-one" (Sahlins, 1965: 144) comparison of what is "given and



received". Social interaction is perceived as a game where players always follow a maximizing strategy.

An alternative model of the exchange process was developed in the French sociological tradition. We find its most thorough expression in Marcel Mauss' The Gift, and in the writings of Claude Levi-Strauss, especially in The Elementary Structures of Kinship.

Social exchange from the French perspective is not just a simple maximizing process, but far more complex phenomenon. According to Mauss, it is not so much an economic phenomenon, but is what he calls a "total social fact". It is an event which simultaneously carries a social, religious, magic, economic, utilitarian, sentimental, legal and moral significance. (Mauss, 1925: 1) Such a "loaded" social significance is not confined to ceremonial exchange. As Levi-Strauss notes,

"We must insist that this primitive conception of the exchange of goods is not only expressed in well defined and localized situations. It permeates all transactions, ritual or secular, in the course of which objects or produce are given or received." (Levi-Strauss, 1949: 53)

One can delineate several features which distinguish this model. Firstly, reciprocity is not governed by short term or very explicit "profit" considerations. Secondly, transactors are not self-maximizers, but moral persons. Thirdly, a transacted item often communicates a special message. That is, it may contain semantic markings giving it meanings far different from those falling within the scope of a utilitarian framework. Here we must include the handmade gift a child gives her parent that communicates affection, a "joint" of marijuana communicating "I can trust you", and many other presentations having symbolic character.

## II. A Theoretical Problem

These are the two different models of exchange behavior permeating contemporary social anthropological and sociological thought. Current discussions about social exchange have reached a theoretical impasse. We seem to be a bit stifled by our recognition of the two different and seemingly contradictory positions. For some, the debate has stopped right here. Others simply continue to impose a crude cost-gain analysis upon all social phenomena regardless of their qualities. This is absurd: consider a mother calculating the benefits she will gain by feeding her child, and withholding the nourishment pending certain reactions.

It is my contention that both of these models are heuristically useful in research, but they refer to different kinds of social relations. The profit maximization model is based upon empirical evidence from urban areas where there is in fact a high distribution of these interaction patterns. And, it is not by accident that the natives participating in such social environments define it often as a "rat race". The "total social fact" model was derived from data pertaining to a much different kind of social relations. But it is important to remember that both Mauss and Levi-Strauss claim that "primitive" exchanges do occur in modern societies, (Levi-Strauss, 1949: 55-56, and Mauss, 1925: 72-76) and that many economic anthropologists have found maximizing behavior in "primitive" societies. (Burling, 1962: 804, and Herskovits, 1940: 3-24).

Since both kinds of exchange behavior are found in both "primitive" and "modern" societies, the next theoretical step should be obvious: What are the general conditions producing these different forms of exchange

behavior? I intend to address myself to this problem, but in order to do this it will be necessary to develop a new set of concepts to interpret exchange relations within the context of social structure.

### III. The Social Context of Exchange

#### A. Transactions within roles:

When the concept of "role" entered the American sociological vocabulary, several manifestos expressed hope that we had finally found a concept to "link" the individual to society. (Linton, 1945) However, not only was the theoretical "bridge" never constructed, but there has been surprisingly little contributed to our understanding of how the concept can help us sift through the chaotic phenomena of social structure. Nevertheless, I cannot think of a more frequently used concept in sociological discourse. Yet it appears as if this concept has not helped us understand the processes involved in social interaction. Most of this stunted theoretical development is due to the unfortunate semantic drift from the realm of the theater to actual social life. The theatrical analog has cast a misleading phony or insincere shadow on social interaction. Although alienated sociologists find it appealing, there is still a large part of social life that is not all pretense for an audience, but very serious activity.

In this discussion, I will avoid the theatrical imagery by concentrating on that intellectual tradition of role theory coming from early treatises on legal theory. (Banton, 1965: ) The idea of "rights" and "duties" associated with a particular role is a part of this heritage. These components should be very useful in an exchange paradigm.

A transactor as a role incumbent must execute certain "prestations" in fulfilling his duties, and on this basis has a right to claim certain benefits as reciprocation. The basic exchange consists of duties (obligations) performed in return for rights (privileges).

A reciprocity process is implicit in the "mutual implication" (Nadel, 1954: 50) of role relations. Dualities such as "ego-alterego" (Parsons, 1951: 58) and "self-other" (Mead, 1956: 199) are isomorphic with social interaction treated as a series of exchanges between two transactors. Ideally, the duties executed by one incumbent are the rights claimed by another, and vice versa. This conceptual "merger" permits one to interpret the acts of "offering" and "reception" in the language of both theoretical traditions.

By placing exchange within the context of normative culture (Parsons, 1965: 43), one can avoid problems inherent in the maximization model. Homans assumes the existence of isolated, non-socialized individuals and ignores society. A crude utilitarianism is the only culture he assumes man possesses. On the other hand, the French tradition is dominated by the Durkhemian dictum: To begin the analysis one must first assume the existence of society as a social fact. A social fact central to this discussion is a role structure.

"the role concept is not an invention of anthropologists or sociologists but is employed by the very people they study. No society exists which does not in this sense classify its population - into fathers, priests, servants, doctors. . . that is, in accordance with the jobs, offices or functions which individuals assume and the entitlements and responsibilities which fall to them." (Nadel, 1957: 20).

A conception of role structure is necessary because the execution of certain transactions are required for any role incumbent. Roles

function to channel the regular transactions in a social structure.

Nadel's schema for classifying role components will be useful when considering role performance as required transactions. In order to avoid a static conceptualization, transactions can be graded into a hierarchy of relevance (Nadel, 1957: 31) Let us distinguish three main grades. (a) Certain transactions are peripheral or optional because their omission or variation does not effect perceptions of role performance. For instance, a milkman may purchase stock in a soup company, but a judge ruling on the company's health standards may not. (b) Some transactions are "sufficiently relevant" because their execution influences the perception of role performance. If these transactions are not properly accomplished, the incumbent's behavior will be perceived as deviating from the "normal" and will evoke sanctions. (c) Other transactions are simply mandatory for the incumbent because there is no normative tolerance regarding their execution. They are basic or "pivotal" to the role and "govern" of imply the other transactions. Their (its) absence alters the whole identity of the role. Take for example a salesman who simply cannot sell a product.

The necessity for thinking of transactions occurring within role expectations is apparent when studying the patterns of exchanges in southern, rural Ireland. Arensberg and Kimball found a very sharp role segregation based upon sex. Only the mother could prepare butter and eggs and sell them at the market; and only she might purchase commodities for home use. Similarly, the father was the only transactor who could purchase tools and equipment for use in the fields and with the animals; and only he could sell the cattle. (Arensberg & Kimball,

1940: 49). Virtually all interpersonal transactions were influenced by the sex role of the transactor.

"That a man should concern himself with a woman's work, such as the sale of eggs or the making of butter is the subject of derisive laughter. . . Ridicule and graver charges of unmanliness and unwomanliness can be brought to reaffirm the conventions against the offender in either sphere."  
(Arensberg & Kimball, 1940: 49).

The utility of this approach is very evident when one considers episodes where transactions are incongruent with role expectations. I am not referring to blatant violations, but the subtle "mixing" of transactions in different role contexts. For example, the door to door salesman who immediately calls you by your first name in order to inject a friendship facade into the transaction setting. All pseudo-gemeinschaft attempts fall into this category. Another example would be the employee and supervisor who are trout fishing comrades. The employee may sincerely give his fishing pal a new fly rod on his birthday, but not within a role context where other employees are present.

#### B. Transactions within a Social Network:

It is not enough to consider exchanges only within role expectations confined to the self-other duality. In both their theoretical formulations, Homans and Blau dwell upon a diadic model, and most of their examples are drawn from two-person transaction episodes. But transactors simply do not exchange in isolation, but within a larger society. Person X may alter his mode of exchange with Person Y, not only in response to Y's sanctioning reactions, but because a third party "intervenes" in some fashion. (Nadel, 1954: 51). Who is this intervening agent on behalf of normative culture? One need not claim,

a la Durkheim, that "society" or the conscience collective conditions exchange processes; it is possible to be much more precise.

In this discussion, the concept of social network (Mitchell, 1969) will extend the analysis beyond the restricted scope of the diad. A social network may be defined as a non-bounded set of individuals, some of which transact with each other, but seldom in the presence of the complete set. These two conditions are included in the definition to distinguish a network from a social group. In groups, almost all individuals interact to some extent with everyone else, and usually when the entire aggregate is mobilized into a common situation.

The portrait of social structure presented thus far is one where individuals are transacting with other individuals. Exchanges are channeled throughout a social network by a role structure. Transactions in one role relation are conditioned by the other role relations connecting the two transactors, and by the exchange relations each participant has in the wider social network.

#### IV. Levels of Role Summation and Modes of Exchange

##### A. The Concept of Role Summation:

Most of the social anthropological literature dealing with descriptions of "primitive" or rural social structure contains remarks about the multifaceted character of the social relations. This feature has been discussed in terms of a "simplex-multiplex" dimension (Gluckman, 1955: 19 & 1962: 24), as a "specific-diffuse" pattern variable (Parsons, 1951: 86), and as "summated and non-summated" roles (Nadel, 1954: 63). That persons perform a varying number of different roles in relation to the same set of persons is the central theme of these discussions. A typical instance is where two individuals interact as kinsmen, supervisor-subordinate, employer-employee, and fellow congregation members. In this discussion, the focus will be upon the number of different role relations connecting any two incumbents. The greater the number of roles two individuals perform in relation to one another, the more summated is their relationship. (For expository reasons, highly summated role relations will often be called "diffuse", while the term "specific" will refer to low levels of summation.)

##### B. Exchange Content - A Conceptual Pivot:

Now I shall attempt to demonstrate that the two different models of exchange processes are associated with different levels of role summation. The crucial concept in this theoretical shift is the "content" of exchange. Exchange content may be defined as the set of material or non-material media items that incumbents themselves perceive as being transacted. The actual media may be different kinds of information, material commodities, services of various kinds, and so forth. The important point is that the concept refers to the cognitive systems whose



phenomenal distinctions or semantic categories are derived from contrasts and discriminations regarded as appropriate by the transactors themselves. Hence, a description of exchange content would consist of a set of emic statements containing the transactor's natural lexemes. (Kay, 1969: 10) Such statements can be falsified only if they contradict the cognitive calculus by which the relevant transactors judge items to be similar or different (Frake, 1962: 76).

It seems to me that a particular set of role expectations establishes boundaries or places limits for the appropriate semantic domain of exchange content. Some kinds of information, services or material may be exchanged within a particular role (with varying degrees of legitimacy), while other kinds are not permissible. The basic premise of this discussion is cast in the following argument: If role expectations limit transactions to certain appropriate kinds of content, then the range of exchange content (total number of different kinds of content) transmitted between two incumbents is proportional to the level of role summation. That is, the higher (lower) the level of summation in an exchange relation, the wider (narrower) is the range of transacted content.

#### C. Transactions Within Low-Summated Relations:

##### A Maximizing Model.

It is my contention that the maximizing model of exchange behavior is appropriate only for minimally summated role relations. Since the relation is specific, a narrow range of content is transacted between the incumbents. The restricted domain of exchanged content is important because this provides the transactors with an opportunity to compare what was "given" and "received" during an exchange. For this very

specific exchange relations will usually have a built-in equivalency standard for recurring transactions. A labor service exchange of only one kind (very specific) can very easily be categorized into commensurable units based upon some such criteria as time input, or the number of tasks completed. If a scientist must seek the advice of a colleague on a particular "problem" (task unit), he may be obliged to reciprocate by offering his advice when his colleague needs help with a "problem". Or, a mother may babysit for a neighbor for "three hours" or "while she goes shopping" and expect that neighbor to reciprocate for an equivalent number of comparable units. When a narrow range of content is transacted, it is simply that much easier for the individuals to break it down into units for quantifiable comparisons.

The facility of making content comparisons produces a marked concern for equivalence and equity. One of the most distinguishing features of specific exchange relations is the extent to which attention is focused upon the "balance sheet". The Homans and Blau model describes this type of reciprocity process where the transactors continually try to assure that the value gained for them is greater than or equal to the amount "invested".

Such a concern for cost-gain ratios produces a marked concern for immediate reciprocation. Obligations are discharged as soon as possible, thereby shortening the temporal dimension between prestation and reciprocation. The duration of obligation is so brief that both transactors have a distinct conception of a completed exchange cycle. At the lower levels of role summation, it is not uncommon for the transactors to make explicit stipulations regarding the proper content for reciprocation, the proper number of units, and possibly even the appropriate time for

reciprocation.

The primary purpose in low summated exchange relations is the realization of "profit". Using Nadel's schema, one could say the resources gained constitutes the pivotal transaction condition. Thus, interaction is only a means to an extrinsic specific end: collection of resource units in amounts beyond that invested. Profit is the necessary condition of the relation; if it is not forthcoming, the relation will terminate.

It is not surprising that incumbents of specific exchange relations will perceive each other as resources. Thus, it would not matter to a transactor who the individual happens to be, as long as he is instrumental to the achievement of a selected goal. Because his value is only related to his ability to foster the other's goal, his unique characteristics are irrelevant to the relation. He may be substituted without significantly impairing the flow of transactions. Under such conditions, the social bond is not very intense and is easily terminated.

Specific exchange relations were what Max Weber defined as zweckrationale action. He characterized it in terms of an orientation toward a

"system of discrete individual ends, that is through expectations as the behavior of objects in the external situation and of other individuals, making use of these expectations as conditions or means for the successful attainment of the actor's own rationally chosen ends."  
(Weber, 1964: 115).

This type of action involves the "weighing of the relative importance of ends", "a consideration of the benefits in relation to the undesirable consequences." Efficiency, expediency, and the "amount of

return" are the dominating considerations.

Toennies captured the essential features of minimally summated exchange relations in his portrait of *gesellschaft* society.

"Nobody wants to grant and produce anything for another individual, if it be not for a gift of labor that he considers at least equal to what he has given. . . In *Gesellschaft*, every person strives for that which is to his own advantage and affirms the actions of others' only in so far and as long as they can further his interest". (Toennies, 1957: 65).

#### D. Transactions Within High-Summated Relations-

##### A "Total Social Fact" Model:

As the level of role summation increases, the incumbents engage in a wider variety of activities together, and consequently, the range of exchange content expands. When a considerable array of content is transacted through summated role relations, it is difficult, if not impossible, for the transactors to cognitively break it down into commensurable units. The sheer diversity and volume of transacted content prevents opportunities for them to construct quantifiable comparisons across the content range. One can imagine a situation where two brothers are always helping each other with work tasks, loaning each other tools and equipment, making purchases for the other while in town, and whose wives usually give each other baked goods. After a while it becomes meaningless to compare apple pies with chain saws, and rides to church with repaired roofs. This does not mean that there can be no specific transactions with commensurable content units within such a relation: but that within the context of the total content, such comparisons are very difficult. While Firth noted that certain commodities exchanged by the Tikopians are regarded as "reciprocally equivalent" and there is

a "general rating of objects on the basis of their respective utilities", he noted:

"there cannot be said to be a comprehensive scale on which every type of good is placed and bears a measurable relation to the type of good above and below it. As far as material goods are concerned there is no class of object which serves as a unit of measurement for all the others, and there is no conversion of the worth of different classes of object into one another in a systematic way. (Firth, 1939: 339).

In such diffuse exchange relations, the transactors will not focus as much attention toward a balance sheet, so that one does not find a regulating concern for equivalence and equity. Cost-gain considerations are not an integral part of the relation, and if they do occur at all, one cannot understand them solely in terms of the quid-pro-quo mode of reciprocity. A much closer approximation of this reciprocity process is found in Sahlin's concept of "generalized reciprocity" (Sahlins, 1965: 144). The main difference is in the length of the time interval between prestation and reciprocation; in summated exchange relations it is much longer. The social obligations incurred by a prestation are so long lasting that the transactors do not entertain conceptions of distinct exchange cycles. Stipulations concerning time, content or units of the reciprocation are seldom encountered.

One of the most central characteristics of summated exchange is the scope of moral regulation. These relations are usually the product of a long history of transactions, and this produces a rather unconditional trust for the partner. Each transaction has a considerable moral complexion because injustices and conflicts appear to spread from the role in which they occur, to all the other roles connecting the incumbents. (Gluckman, 1962: 50). This potential "spreading" quality of

conflicts prevents the activation of blatant self interest in any specific role. Incumbents are very cautious not to make any drastic social mistakes for fear of the mushrooming consequences. One often finds an excess of ritualization employed by the incumbents in order to semantically mark appropriate expectations. (Gluckman, 1962: 24).

Social exchange in these relations is not determined by an extrinsic set of goals, but is often a desired end in and of itself. Summated transactors perceive each other as unique individuals, and not as instruments at attain goals. In fact, the persons are not usually selected for exchange in order to achieve goals; but goals are often altered in order to maintain contact with valued individuals. The incumbent is valued for special qualities and is not interchangeable.

It is difficult to specify a pivotal condition (s) for a summated exchange relation. The incumbents know each other very well because much of the information exchanged is intimate. But such multibonded relations are often abruptly terminated, and usually with intense emotional consequences. Perhaps the pivotal condition might be best described as a generalized loyalty to the other incumbent. The violation of a well known rule, like not aiding in a crisis situation might be regarded as a breach of loyalty. Violations must be severe to rupture the social bonds. They are the product of a history of good faith and trust and the incumbents entertain expectations of continuity in their association.

## V. Structural Consequences of Summated Exchange

### A. The Process of Exchange Summation and Cognitive Similarity:

Homans asserted that as the frequency of interaction increases, similarity and liking will follow. One can think of many instances where this proposition is sound, but the simplicity of its formulation obscures important social processes. One might ask, what conditions prevent similarity and liking when associated with a substantial amount of interaction? A counter-example might be a relation regulated by status inequality. Some scholars think this factor may prevent liking, or may even generate enough hostility to eventually terminate the relationship. Supervisors encounter intense conflicts when friendship relations develop between themselves and their subordinates. Elaborate ritual procedures are activated to segregate these role relations. Military officers must segregate their leisure activities from non-officers by confining them to Officer's Clubs. Factory supervisors usually sit at different lunch tables than workers.

Most of the literature concerning this issue focuses on friendship relations as an impediment to the effective functioning of authority. But is it the authority relation per se that prevents the development of similarity and liking? It seems to me that one can find a more abstract scope condition to include this factor. Let us consider an example where the authority relation is not quite so salient.

Mr. Jones interacts very frequently with his secretary, Mary, but exchanges are limited to matters concerning their occupational duties. He is very brief and directly to the point in all his communication: Never does he allow conversation to stray toward content

unrelated to their work. Once when Mary asked him about his children he promptly reminded her that there was work to be done, and that was their reason for being there. Afterwards he would simply ignore any extraneous conversation she might attempt. This made Mary uncomfortable. Now she tells the other secretaries that it is horrible to work with Mr. Jones not because he is authoritarian, but because he is a robot. The efficient executive quickly gained a reputation for being unfriendly. Is it the authority relation that prevents liking and similarity? Let us look at one more example.

A large office building was unoccupied at nights, except for a three man janitorial crew and a night watchman. The task requirements for the janitorial crew were minimal and they usually spent the latter half of the night drinking beer and "shootin' the bull". The watchman was not their superior, in fact, he worked for a different organization. He limited his transactions with the janitors to strictly task content, like asking them to turn off the lights and lock the doors. After asking him to join them for a few drinks, the janitors began to dislike the watchman because he always refused. He was no longer a "good guy", they thought him unfriendly, and worst of all, he might even be a "squealer". They ceased their informal cooperation with him, leaving doors unlocked, turning fans on and failing to turn them off, and leaving all the lights on after they finished cleaning. The watchman decided to drink beer and "shoot the bull" with them. Shortly afterwards, the janitors resumed their informal cooperation.

There seems to be something more general going on in these examples than conflicts due to authority. It was not the authority factor disturbing the secretary and the janitors, but a person's refusal to expand the range of exchange content. I think that before



the mere increasing frequency of interaction can produce similarity and liking, specific exchange relations must break down to let summation occur. It seems as if during the course of recurring specific transactions, the incumbents acquire an expectation that role summation ought to occur. Both the secretary and the janitors made offers to broaden the base of exchange, and they were very upset when their offers were rejected. It would appear that summation is a natural social process.

There are several plausible explanations of why transactors would appear to desire summated exchange relations. Summation is a necessary condition for the development of cognitive similarity since it permits a wider range of information content to enter the flow of message exchanges. Cognitive similarity cannot develop if the transacted message content is restricted.

Homans would solve the problem by defining similarity as a rewarding experience. (Homans, 1961: 103). The social psychological balance theorists would argue that uncertainty is unpleasant and produces tension, therefore man seeks certainty to escape this tension. Since man seeks certainty, he will attempt to compare his opinions with those in his social space. Specific exchange relations prevent one from comparing a comfortable range of beliefs, and summation alleviates tension by expanding the permissible range of compared beliefs. (Festinger, 1968).

Another plausible explanation may be constructed using the concept of role distance. (Goffman, 1961). Evidently recurring transactions in specific role relations puts a strain upon the incumbent.

This strain might be produced because such relations prevent a person from presenting his entire self into the exchange process. The more specific a role, the smaller the segment of self that may be presented. Role distance refers to the discrepancy or gap between an actor's real self and the self presented in role activity. Perhaps the role distance is greater in specific relations, and incumbents might try to broaden the transaction base in order to present a complete self.

All of these explanations are plausible, but they do not fit so well into an exchange paradigm. On the other hand, summation might occur simply because it bestows certain advantages to the incumbents. Since these relations are regulated by expectations of continuity and trust, and not in terms of immediate gains in short-term cycles, they represent a form of social "insurance" for the incumbents. The expectations of continuity and trust give each incumbent good "credit-ratings" with each other so that resources are readily available for immediate needs. Such exchange relations are highly dependable and provide transactors with a social base of security. Regardless of the reasons why summated exchange evolves out of specific transactional relations, it is a necessary condition for the development of cognitive similarity.

As summation occurs, the range of exchanged messages expands and the number of beliefs compared between two transactors increases drastically. Transmitted messages focus upon similar beliefs and avoid dissimilarities. Person perceptions shift from a configuration of the incumbent as a means to obtain goal objects to an individual with unique characteristics and strongly held convictions. Expectations become diffusely oriented toward the personal beliefs of incumbents. At this point, when liking has occurred, disagreements become increasingly

painful and the discovery of similarities more rewarding. In this way, summation promotes normative cultural uniformity.

#### B. Summated Exchange and the Formation of

##### Structural Density:

The concept of structural density (Barnes, 1968) refers to an important morphological property of social networks. Density may be defined as the ratio of the actual number of social relations connecting a set of persons to the theoretically possible number (Barnes, 1968: 61). In other words, it measures the extent to which everyone knows everyone else. Peasant societies, small stable communities, and marginal enclaves usually are very high in structural density. One of the most important consequences of summated exchange is its tendency to produce structural density. Let us see how this occurs.

Assume two actors are engaged in a summated exchange relation, and one of these incumbents maintains a summated relation with a third person. This may be represented as follows:

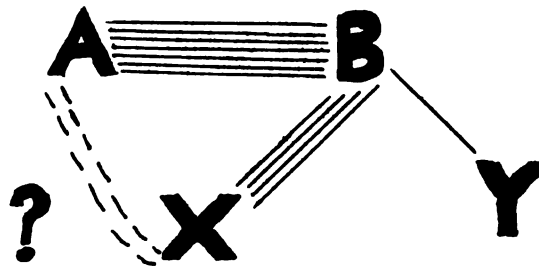


Figure 1

Let A and B, and B and X represent a set of transactors engaged in summated exchange relations. Let B and Y represent a set of transactors involved in a specific transactional relation. I would like to suggest that because both A and X hold summated relations with B, there are



psychological pressures upon them to like each other. But neither is obliged to like Y who only maintains a specific relation with B. One simply feels obligated to like and speak well of the friends of our friends. This is reflected in folk statements such as: "Any friend of yours is a friend of mine;" and "We consider him just one of the family." Norms prohibit one from saying derogatory things about friends of your friend while in his presense.

One must remember that summated relations require a great deal of time, energy and resources to develop and maintain. Summated incumbents are in rather constant contact with one another. Since an individual cannot be in two places at one time, it is difficult to maintain separate summated exchange relations. The time, energy, and resource requirements for segregated summated relations increases in proportion to the number of such relations a person tries to maintain. It follows that if the number of summated exchange relations for any incumbent increases, there is a greater probability that he will have to interact with more than one of these persons at the same time. Hence, as summation occurs between any two transactors, the incumbents of their respective summated role sets will probably develop exchange relations with each other. This process is the formation of density in a social network.

## VI. Structural Consequences of Desummation

### A. The Process of Desummation:

Desummation refers to the process by which summated exchange relations are rendered more specific. It involves disengaging certain content from the exchange relation. Such a decrease in the range of transacted content increases the probability of the incumbents breaking down the remaining content into commensurable units. One would then expect a rise in the frequency of cost-gain considerations and inequity perceptions. Summated exchange relations are regulated by a diffuse balance conception covering the total range of content. The transferring of exchange content to another relation upsets this balance. Sudden shifts toward specific exchange can generate incredible hostility. When this does occur, the transactors will break down the generalized reciprocal pattern into a reconstructed history of the relation in terms of inequities associated with a series of distinct transaction cycles. Let us look at a few empirical instances of desummation.

A marriage relation is extremely summated. When the incumbents love each other, the reciprocity process is very generalized. The transactors do not strive to maximize their own profit, but are rewarded when the other benefits. Each does so much for the other, they think nothing of it and are unaware of giving something in return for something else.

When desummation begins, the couple does fewer activities together and their relation gradually becomes more specific. As the range transacted content shrinks, unit comparisons become more feasible. Inequity perceptions become increasingly frequent. Arguments serve to redefine the history of their marriage in terms of a sequence of injustices.

These inequities are conceived in terms of a series of distinct specific transactions: "Last week you used the car while I had to stay home and watch the kids."

If the marriage collapses and the incumbents decide to terminate their relation and divide their property, hostility overwhelms them. The process of deciding who deserves what marks the bottom level of specific exchange. Interaction is reduced to the lowest level of forced comparison as they recall the entire history of their association in order to maximize their perceived deserved share. Most divorce lawyers agree that if a couple do not hate each other when they file for a divorce, they will once it gets started.

The problematic consequences of desummation are evident when cash transactions occur in summated relation. A cash-based transfer gives a brief but very uncomfortable taste of desummation. Such transactions are very problematic with kinsmen. There are folk warnings against making economic deals with relatives: One should never buy a car from an in-law, or rent an apartment from an uncle. The negotiation of debts with friends is also a painful transaction that is very ritualized. Friends attempt to avoid concern for the equity dimensions, and try to get such unpleasant activity finished as soon as possible.

Another instance of a highly summated exchange relation is the "patron-client" relation that social anthropologists have analyzed in precommercial agrarian societies. (Paine, 1971). This particular summated relation often provides a vital interclass link between the landed aristocracy and peasantry populations (Moore, 1966). A very similar relation is found in the landlord-sharecropper bond in

the Deep South (Davis & Gardner, 1941).

The content of this relation is fairly standardized. Usually, the landlord would provide the land, tools, housing, supervision, protection, and the administration of local justice. (Moore, 1966 & Silverman, 1970). As time passed and summation increased, he would help the peasant during unexpected crises, contribute advice and information about the outside world, and sponsor festive occasions. He was the protector upon whom the peasant could depend (Paine, 1971). On the other hand the peasant would be obliged to contribute many kinds of labor throughout the year, and to give the landlord the major share of the surplus (Moore, 1966). As the level of summation increased the peasant would be expected to give his loyalty. He would support his master politically in war and peace, and would support him socially by speaking well of him and enhancing his reputation and prestige (Silverman, 1970).

As the urban market expanded and the scope of the state's authority spread into the countryside, this complicated exchange relation was desummated (Moore, 1966). As Karl Marx noted:

"The bourgeoisie, where ever it has got the upper hand, has put an end to all feudal, patriarchal, idyllic relations. It has pitilessly torn assunder the motley feudal ties that bound man to his "natural superiors", and has left no other bond between man and man than naked self-interest, than callous "cash payment". (Marx, 1848: 11).

This relation was stripped to the "cold cash nexus" as commercialized agriculture grew in response to the demands for food in the swelling urban areas. (Moore, 1966). The emerging nation-state assumed the lord's tasks by providing protection and administering justice as it gained a monopoly of force. Thus, content from the lord-peasant ex-



change relation was transferred to an emerging state apparatus, and the former relation became more specific. As the range of transacted content decreased, all that was left was a specific monetary relation between lord and peasant. As opportunities for content comparisons increased, the social attention turned toward equity considerations and evoked cries of "exploitation" (Moore, 1966 & Silverman, 1970). Such sudden desummation might very well have been the spark igniting the great rural rebellions in twentieth century China and the Soviet Union (Moore, 1966). It is now happening in rural Italy, and in some parts of Latin America (Silverman, 1970).

I think these illustrations demonstrate the hazardous consequences of shifts from summated exchange to more specific transactions. Even in the marriage relation there is some kind of an accounting process going on, but it has a very latent quality. When desummation sets in, it is as if all the repressed hostility and aggression had been accumulating beneath a veneer of affection, and were suddenly released as the incumbents were forced to settle accounts.

#### B. Specific Exchange and Structural Density:

Specific exchange activity appears to involve the destruction of structural density. Once desummation has set in, a smaller range of information is exchanged and this restricts the development of similarity and liking. Incumbents perceive each other as resources and often dislike each other as they regard cooperative activity as formal and strenuous. One encounters no expectations obliging incumbents to like the strictly occupational contacts of their own colleagues.

If a social network is characterized by a high distribution of specific exchange relations, one can expect interpersonal competition

to occur when resources become a bit scarce. If each individual is pursuing a strictly maximizing strategy in his own self-interest, one should be able to pinpoint an optimal mode of rationality for their conduct. Since the incumbents perceive each other as resources, they may be unwilling to introduce incumbents of their direct exchange set to each other. Persons might be perceived as scarce resources and transactors would attempt to block access to their own resource supply persons. Transactors protect their own resource base as an optimally rational strategy.

Consider this illustration. Let person A have a specific exchange relation with B, and B engages in specific transactions with X. B exchanges content k with A, in return for content l, and B also exchanges m for n with person X. This may be represented as follows:

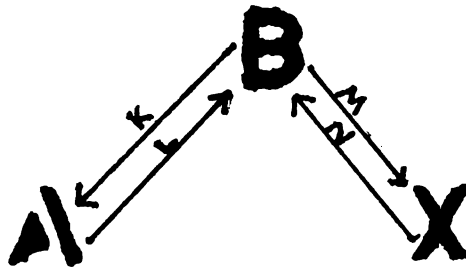


Figure 2

If B introduces X to A, X may provide A with another market for l, or with a less costly supply of k, or with alternative contents substitutable for k and l at more attractive terms. It is also quite possible for X to obtain m from A, or A might even provide X with a market for n. It would be rationally disadvantageous for maximizing transactors

to introduce their first order exchange partners to each other. Instead, they segregate contacts to insure a stable resource base.

Such a competitive exchange strategy entails the dissolution of structural density. Transactors know their minimally summated relations are tenuous and subject to alteration upon the perception of new advantages, because very little connects them with their partners. Transactors try to prevent each other from cultivating opportunities that might harm the current flow of transactions, while at the same time searching for better exchange options for themselves.

VII. Summated Exchange and the Formation of Local Moral Systems

A. Social Boundaries and the Formation and Persistence of Moral Systems:

As mentioned earlier, normative similarity is a product of role summation. And, it is recalled that summated exchange produces structural density in a social network. Once this happens, structural density has a "multiplier effect" on the formation of a uniform normative culture. If the beliefs of any social aggregate are to be commonly distributed, they must be communicated to those who will presumably share them. If a particular social network is characterized by a high level of structural density, it will be that much easier for the beliefs to be distributed throughout the entire network. The information flow covers a wider social domain more efficiently, thereby creating a more uniform normative culture.

Social boundary mechanisms promote normative similarity by encouraging summation and density. Boundary mechanisms operate as "social facts" which create "total institutions" (Goffman, 1961). In these situations individuals are often forced to interact with a limited set of others. Isolated organizations like fishing crews, lumberjack camps, construction crews in remote areas, combat units, and remote villages have a high distribution of summation in their social structures. Other boundaries encourage summation and density not as a consequence of ecological conditions but through social sanctions. Such organizations as fraternities, religious sects, underground political groups, mental health wards and secret cults develop density through the activation of a rigid social boundary. Both ecologically and socially

determined total institutions force individuals to transact with a limited set of others, leaving no other alternative but summated exchange and density formation.

Social boundaries maintain normative patterns by screening out the "outsiders" who carry dissimilar cultural content. Peasant and small scale rural communities are characterized by an inward orientation toward familiar relations and traditional culture. Anthropologists are well aware of the difficulties involved in gaining acceptance within such exclusive collectivities. But these boundaries cannot be explained only in terms of external social facts because the internal organization of transactions also plays a part.

If one is to account for the exclusivity and persistence of traditional social structures in terms of internal processes, it is necessary to return to the idea of an exchange network channeling transactions through role relations of differing degrees of summation. Consider the model represented below:

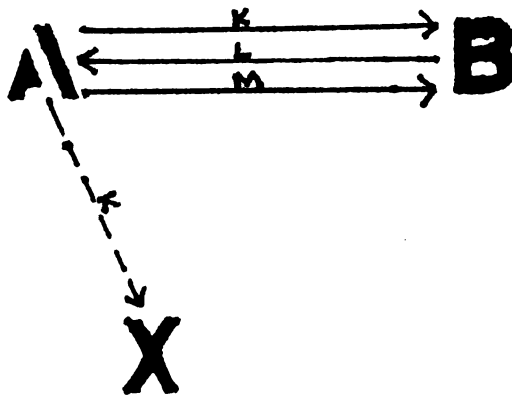


Figure 3

Let the solid lines between persons A and B represent a set of transactions channeled through a summated relation. Let X represent a person with whom A has just made an acquaintance, and who is unknown to B. Furthermore, it is assumed that a substantial distribution of summation and density characterize the total networks (not represented) of A and B. Let us consider X as an "outsider" approaching a dense, summated network.

If A wanted to exchange content k with X, and to disengage this transaction with B, what would be the consequences in terms of his relation with B? His exchange relation with B would become less summated, and consequently more specific. This would expose their relation to the potential hazards of desummation. Since transactors encounter problems when disengaging certain content from summated relations, an outsider has difficulties in penetrating the exchange network because this may involve a transfer of content.

Summated incumbents simply cannot spare very much additional time, energy and resources required to enter new exchange relations with persons unknown to their summated incumbent partners. Transactors can develop them with friends of summated others because they are often in the same situation. And if one did not have the necessary maintenance resources for a particular summated relation, a legitimate excuse is that they were allocated to a common friend. But such is not the case with an unknown person. These factors make the cultivation of exchange relations with "strangers" a choice with high costs.

We can now see why outsiders such as the social anthropologist have a difficult time penetrating a summated network. There is a social boundary based upon the character of summated exchange relations that



"welds" summated incumbents into their networks and keeps outsiders on the periphery. But if the outsider happens to develop a summated relation with one of the insiders, he will probably develop relations with the other summated incumbents exchanging with that person. Outsiders become insiders through the process of role summation.

B. Encapsulating Density and the Monitoring of  
Self Interest:

What usually is referred to as gossip in folk language can be thought of as communication which reinforces normative structure. Summated incumbents are great social gossipers due to the wide range of permissible information exchange. Those who are a party to the gossip clarify and reaffirm normative culture amongst themselves. Summated participants build solidarity in these private information exchanges.

As Gluckman noted:

The closer the bonds of a relationship, the more intimate and esoteric the gossip, and the more trite it will appear to outsiders. (Gluckman, 1963: 310).

These common evaluative agreements are, for my purposes, the most important subset of transacted information content. Not only do the gossiping persons solidify normative culture in relation to each other, but in such situations extremely important bits of information are transmitted through the network: the evaluation of a transactor's exchange performance. Gossip participants are in the process of evaluating transactors either positively or negatively in terms of their perceived congruency or discrepancy between the reported behavior and the accepted rules of conducting exchanges.

Information content exchanged during gossip sessions provides an



opportunity for the incumbents of an actor's network to develop a common stereotype of his exchange performance. The social source of a person's self concept lies in his immediate network. Incumbents of such a network entertain a common stereotype of the transactor and exchange with him on the basis of this shared image. The higher the density of a transactor's immediate network, the more control these incumbents have over his self concept, and the greater are the pressures for him to conform.

If all the incumbents an individual exchanges with tell him he is "selfish" (maximizes too much) and that he should not be that way, he will suffer great tension, and either leave his social area, or curtail his self interest. But, if a few of these incumbents are segregated from the rest, and some of these condone his exchange behavior, he will not feel such intense pressures to conform. The camaraderie of deviants thwarts social pressures (Asch, 1955). If an exposed self-maximizer cannot find a neutral social niche in the social environment, and wants to have a high self concept he will conform to the expectations of his social network.

Homans and Blau ignore the social processes monitoring self interest by focusing their attention upon the diad exchange process. A person must not over-maximize only because his actions will not be rewarding to the other person. But exchange must be thought of as a social process involving portions of a network. If a person over-maximizes his tarnished reputation spreads throughout the entire community. Arensberg and Kimball find that these persons do not simply lose one exchange relation, but they may have a "social death" and be condemned to isolation.



The author's note:

Ordinarily, of course, failure to fulfill such obligations either in directly social situations or in agricultural cooperation does not lead to violent conflict, but rather to an estrangement. The "niggardly friend", especially the one who fails to return obligation, is held up to general condemnation, not only by his kindred but by the whole community. (Arensberg & Kimball, 1949: 74).

Thus, by placing exchange behavior within a social structural context, one sees not only utilitarian calculation, but a moral phenomenon. The consequences of excessive self interest spread from one role to the entire summated set connecting two persons; and from the confines of their relation to the wider social network. In summated and dense social networks exchange behavior is a "total social fact", while in non-sum-mated, less dense networks, it is more utilitarian.

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