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Introduction: money and the morality of exchange

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This collection is concerned with the way in which money is symbolically represented in a range of different societies and, more especially, with the moral evaluation of monetary and commercial exchanges as against exchanges of other kinds. The focus, then, is on the range of cultural meanings which surround monetary transactions, and not on the kinds of problems of monetary theory which have conventionally preoccupied the economist. There is now a very large literature on so-called 'primitive money', but this does not centrally concern us here since all the chapters in this volume deal principally either with state-issued currencies which act as a general medium of exchange, or – as in our two Andeanist contributions – with the symbolism of precious metals and their relevance to Andean ideologies of production and exchange.

The first thing these essays collectively emphasise is the enormous cultural variation in the way in which money is symbolised and in which this symbolism relates to culturally constructed notions of production, consumption, circulation and exchange. It becomes clear that in order to understand the way in which money is viewed it is vitally important to understand the cultural matrix into which it is incorporated. This may seem a bland enough lesson, but it is one which has often been forgotten by anthropologists writing about money – and less culpably also by historians and sociologists. As a result they have commonly fallen into the trap of attributing to money in general what is in fact a specific set of meanings which derive from our own culture.

At another level, however, our essays reveal a unity which underlies all of the apparently diverse examples they consider. This is to be found neither in the meanings attributed to money nor in the moral evaluation of particular types of exchange, but rather in the way the totality of transactions form a general pattern which is part of the reproduction of social and ideological systems concerned with a time-scale far longer than the individual human life. It is only when these total patterns are

compared that we can begin to go beyond the conclusion that the variable symbolic elaboration of money and monetary exchange is yet another illustration of the way in which different cultures see things differently. Each of our case studies, we argue, reveals a strikingly similar concern with the relationship between a cycle of short-term exchange which is the legitimate domain of individual – often acquisitive – activity, and a cycle of long-term exchanges concerned with the reproduction of the social and cosmic order; and in each case the way in which the two are articulated turns out to be very similar. This suggests something very general about the relationship between the transient individual and the enduring social order which transcends the individual.

Thus in the first part of this introduction we are centrally concerned with the way in which our own cultural discourse about money has inhibited a proper appreciation of the variability in its cross-cultural construction. In the second part we try to develop the thesis that once we move to the wider, more encompassing, level of the total system of exchange some important continuities begin to emerge.

The revolutionary implications of money in Western discourse

One particularly prominent strand in Western discourse, which goes back to Aristotle, is the general condemnation of money and trade in the light of an ideal of household self-sufficiency and production for use. The argument goes something like this. Like other animals, man is naturally self-sufficient and his wants are finite. Trade can only be natural in so far as it is oriented towards the restoration of such self-sufficiency. Just as in nature there may be too much here and not enough there, so it is with households which will then be forced to exchange on the basis of mutual need. 'Interchange of this kind is not contrary to nature and is not a form of money-making; it keeps to its original purpose – to re-establish nature's own equilibrium of self-sufficiency' (Aristotle 1962: 42). Profit-oriented exchange is, however, unnatural; and is destructive of the bonds between households. Prices should therefore be fixed, and goods and services remunerated in accordance with the status of those who provided them. Money as a tool intended only to facilitate exchange is naturally barren, and, of all the ways of getting wealth, lending at interest – where money is made to yield a 'crop' or 'litter' – is 'the most contrary to nature' (Aristotle 1962: 46).

Aristotle's writings re-surfaced in the Western world in the thirteenth century and were taken up by Thomas Aquinas through whom they achieved a new renown. His influence on the economic thought and attitudes of the Middle Ages was, as Polanyi (1971: 79) observes, quite as great as that which Smith and Ricardo were to exercise on the thinking of

a subsequent epoch; and his authority was invoked in support of the Church's profound disquiet about material acquisition. Some of the ideological reasons for this medieval unease about money – especially money as representative of the merchant's profit and the usurer's interest – are briefly reviewed in Parry's contribution to this volume. Here we may simply note that one of the major problems was that the merchant apparently created nothing, while the usurer earned money even as he slept. 'The labourer is worthy of his hire', but it was not at all clear that the merchant and the money-lender laboured. It was essentially this idea of material production as the source of value (Le Goff 1980: 61) which prompted Tawney (1972: 48) to remark that 'the true descendant of the doctrines of Aquinas is the labour theory of value. The last of the Schoolmen was Karl Marx.'

Our own intellectual tradition, however, also contains another very different kind of discourse about money and monetary exchange which sees it as a far more benign influence on social life, for the conclusion to be drawn from Mandeville's *Fable of the bees* and from the 'many advantages' Adam Smith put down to man's propensity 'to truck, barter and exchange' was that the happiness and prosperity of society was founded on the individual pursuit of monetary self-gain. In fact as Hirschman (1977) points out, and we return to his argument below, this theory goes back much further than either of these writers and originally took the form of condoning money-making as a comparatively harmless and gentle vice that could be positively harnessed to the commonweal as a curb on other 'passions' of a more dangerous and disruptive kind.

Between these two radically opposed views of money there are, of course, a very large number of intermediate positions. Simmel (1978), for example, saw in it an instrument of freedom, and a condition for the extension of the individual personality and the expansion of the circle of trust; but at the same time as a threat to the moral order. But what all these different strands in our cultural tradition appear to agree about is that – whether for good or ill – money acts as an incredibly powerful agent of profound social and cultural transformations. Regardless of cultural context and of the nature of existing relations of production and exchange, it is often credited with an *intrinsic* power to revolutionise society and culture, and it is sometimes assumed that this power will be recognised in the way in which the actors themselves construct money symbolically. The essays collected here cast some doubt on both these propositions. Money, we believe, is in nearly as much danger of being fetishised by scholars as by stockbrokers.

Marx and Simmel on the social corollaries of money

This 'fetishism' appears in different degree in the work of two highly influential writers on money, to whom we have already referred: Marx and Simmel.

For Simmel (1978), money was of major significance for the development of the cognitive world we now inhabit since it helped to promote rational calculation in social life and encouraged the rationalisation characteristic of modern society; while in the same vein others have seen money as the basis for an abstract system of thought (cf. Frankel 1977: 7). More than a reflection of other structural features of a modern economy and society (as Dalton [1965] would represent it), Simmel saw money as an active agent which constitutes 'the major mechanism that paves the way from *Gemeinschaft* to *Gesellschaft*. Under its aegis, the modern spirit of calculation and abstraction has prevailed over an older world that accorded primacy to feelings and imagination' (Coser 1977: 194). Encapsulating the modern spirit of rationality, calculability and anonymity, it represents a privileged instance for investigating the whole.

Unlike Simmel, who sees money itself as the principal catalyst for the transformation of social life, Marx's treatment links it to the (for him) more fundamental phenomenon of production for exchange – this being what ultimately creates the need for an abstract money medium. For both writers, however, money is associated with, and promotes, the growth of individualism and the destruction of solidary communities.

Like Aristotle, Marx's condemnation of money and market exchange reflects a certain romantic nostalgia for a world in which production was for use and the interdependence of the human community had not been shattered by exchange. However exploitative the old order, it was not – as capitalism is – based solely on explicit, relentless, egotistical calculation. If the labour theory of value invited a critique of capitalism (and of the abstract money medium with which it is associated) on grounds of equity, the new mode of production also gave rise to a grave misgiving – shared also by many non-Marxist writers – that it denied those moral 'bonds which unite men one with another' which Durkheim emphasised as the basis of all social solidarity. Exchange (by which Marx meant *market* exchange) begins with the exchange of surpluses between communities. But once objects have become commodities in external trade, they inevitably tend to become commodities within the community and to dissolve the bonds of personal dependence between its members. Independent communities become dependent, and dependent individuals become independent (Roberts and Stephenson 1983: 13). Exchange and the abstract money form from which it is inseparable, thus stand condemned as agents of individualisation (cf. Marx 1964: 96) and

of the dissolution of the communal bonds which obtained in the world of production for use.

When, Marx argues, the direct labour a medieval serf owed to his lord was commuted into a rent-in-kind and then (more significantly) into a money-rent, a contractual relationship replaced the bonds of personal dependence between them and many peasant holdings were expropriated, while some serfs managed to buy themselves free from their rent obligations and become independent peasants with property rights in the land (Roberts and Stephenson 1983: 20–1).

Simmel traces a rather similar evolution but emphasises the advance in human freedom which results.

> The lord of the manor who can demand a quantity of beer or poultry or honey from a serf, thereby determines the activity of the latter in a certain direction. But the moment he imposes merely a money levy the peasant is free, in so far as he can decide whether to keep bees or cattle or anything else (Simmel 1978: 286).

While money erodes older solidarities, for Simmel it also promotes a wider and more diffuse sort of social integration. In the case of barter, trust is confined to the parties directly concerned in the transaction; but monetary exchange extends this trust to an enormously expanded social universe. 'Now each,' as Frankel puts it (1977: 31–2), '[is] no longer dependent only on his relation to the other but also on relations to the economic circle which, in an abstract and indefinable way, guaranteed the functioning and acceptability of the money they made use of.'

Not only is it claimed that money changes the way in which people think, and dissolves bonds between persons based on kinship and other ascriptive criteria, it is also held to effect that separation between persons and things which, as Mauss (1966) stressed, is denied by many primitive and archaic societies. Money permits possession at a distance. Only in the form of money can profits be easily transferred from one place to another, allowing for a spatial separation between the owner and his property which 'enables the property to be managed exclusively according to objective demands while it gives its owner a chance of leading his life independently of his possessions' (Simmel 1978: 333). While the gift of a specific object always 'retains an element of the person who gave it', exchange relationships tend to be 'more completely dissolved and more radically terminated by the payment of money . . .' (ibid. p. 376; cf. Mauss 1966).

Notwithstanding Marx's insistence that property is really a relationship between people masquerading as a relationship between persons and things, there is a sense in which he too represents money as driving a wedge between persons and things in that it appears to sever the relationship between the producer and his product. The worker has no

access to the means of production and is paid a wage for his labour. As a result his product is held to belong to somebody else, and is alienated on the market in an absolute way as if it had no connection with him. The commodity comes to appear as though it has 'a "natural price", a relation to money and other commodities independent of the human factors involved' (Ollman 1976: 196). While in the feudal world the lord and his serfs were inseparable from the land in which they had rights, with private property freely exchangeable against money a man's individuality is not conflated with his property in the same way (ibid. p. 208–9).

The impersonality and anonymity of money, it is argued, lends itself to the impersonal and inconsequential relationships characteristic of the market-place and even to a complete anonymity in exchange. Destructive of community, money depersonalises social relations. 'The indifferent objectivity of money transactions is in insurmountable conflict with the personal character of the relationship . . . The desirable party for financial transactions . . . is the person who is completely indifferent to us, engaged neither for us nor against us (Simmel 1974: 227).

Anonymous and impersonal, money measures everything by the same yardstick and thereby – it is reasoned – reduces differences of quality to those of mere quantity. It is in its denial of the unique, and in the fact that it may easily come to be regarded as the means to *all* ends so that its possession confers an almost god-like power, that Simmel locates its most dangerous potential. Similarly Marx (1961: 132) speaks of money as 'the radical leveller, that . . . does away with all distinctions' – not even the bones of the saints being able 'to withstand this alchemy'.

In the light of such arguments it is tempting to conclude that money acts as a kind of acid which inexorably dissolves cherished cultural discriminations, eats away at qualitative differences and reduces personal relations to impersonality. It is only to be expected, then, that those 'traditional' cultures which must for the first time come to terms with it will represent money as a dark satanic force tearing at the very fabric of society.

It is not only in such a world, however, that money is credited with a mastery over men. Though in the ideology of fully fledged capitalism no longer an agent of some evil empire, money is nevertheless credited with a life-like power. Indeed, as Marx saw it, this fetishism of money as the pre-eminent example of the fetishism of commodities is inseparable from capitalism. Here money itself is endowed with fecundity. Money 'breeds' money much – Marx ironically observed – as 'it is an attribute of pear trees to bear pears . . .' Money as capital is ideologically transformed into the source of production, reducing the workers to mere appendages, making it appear only right and proper that capital should reap its 'just reward'. Moreover money as a generalised standard of value misrep-

resents production by making the value of a commodity expressed in money terms appear as an intrinsic quality of the commodity itself – like one of its physical properties – rather than of the labour which went into its production, which now becomes lost from sight. Relations between people masquerade as relations between things.

Non-monetary: monetary :: 'traditional' : 'modern'?

Given that money is held to have the kind of profound impact on society and culture to which we have alluded above, it is hardly surprising that there is a tendency to postulate a fundamental division between non-monetary and monetary economies (or even *societies*). By the process of slippage which Harris describes in her contribution (chapter 10), it is also easy to see how this opposition gets elided with a series of other dichotomies – 'traditional' and 'modern', pre-capitalist and capitalist, gift economies and commodity economies, production for use and production for exchange – with money acting as a major catalyst of the 'great transformation' between them, or at least as a telling index of it. The effect of this has been to blind a number of writers to the importance of money in many 'traditional', pre-capitalist economies.

Fuller's chapter makes this point with devastating effect in reference to anthropological discussions of what has inappositely been called the 'Hindu jajmani system'. What he shows is how this so-called 'system' has been used to exemplify a radical opposition between 'traditional' and 'modern' economic systems and ideologies and how, in the service of this objective, anthropologists (and others) have managed to ignore the overwhelming historical evidence for the importance of monetary exchanges and market integration in the 'traditional' Indian rural economies to which their models purport to refer. This is true of a whole range of commentators from those nineteenth-century writers for whom the moneyless world of the jajmani 'system' was part of a picture of the village community as a 'little republic' sufficient unto itself, to Wiser who perpetuates this stereotype, to Dumont who is concerned to demolish the idea of the village as a sociologically meaningful isolate but who nevertheless contrives to downplay the significance of market exchange in the pre-British era. What implicitly seems to underlie this misrepresentation is a deeply entrenched notion about the transformative potential of money such that its presence becomes an index of a 'modern' society, with the corollary that in a 'traditional' one it can only be of peripheral significance. But whatever the cause of such blindness, its effect was to encourage Marx in the formulation of his highly questionable theory of an unchanging 'Asiatic mode of production', and Dumont in his overdrawn contrast between the political economy of pre-British

and British India, and perhaps also between *Homo hierarchicus* and *Homo aequalis*.

More generally, Fuller's argument should alert us to the possibility that the significance of money and market exchange has been similarly under-estimated in the ethnographic description and analysis of pre-capitalist economies elsewhere in the world, and to the fact that the extent of monetisation is not a reliable index of the atrophy of the 'moral economy'. As Bayly (1985: 286) has concluded from the Indian historical record, the expansion of the cash economy 'did not . . . dissolve the relations of dominance that arose from the interplay between the norms of caste and the structure of the petty kingdoms'. Even within the domain of the market

> buyers and sellers were constrained by obligations that required that they purchase certain things at certain times, in certain markets. The widespread existence of markets, money-lenders, and double-entry account books was not incompatible with the persistence of pre-capitalist mentalities in material culture . . . money of itself could not transform relationships . . . (ibid. p. 316)

Gifts and commodities

A further opposition in this sequence on which several of our chapters have some bearing is that between gift and commodity exchange. In Gregory's (1982) neat formulation the first is based on an exchange of *inalienable* objects between *interdependent* transactors; the second an exchange of *alienable* objects between *independent* transactors. It is, moreover, often assumed that this radical opposition between the principles which underlie the two types of exchange will be reflected in an equally radical contrast in their moral evaluation. Stirrat's chapter, however, reminds us that there are commodity contexts in which the alienable object is transacted between conceptually interdependent persons; while in the case which Parry describes the *gift* is alienated as radically as possible and must never return to the donor, for it is held to embody his sins (cf. Parry 1986) – and this is so regardless of whether it is in cash or kind. Here money is clearly far from being a purely depersonalised instrument. Like the gift in kind it contains and transmits the moral qualities of those who transact it.

As this suggests, the idea that the very impersonality of money makes it of questionable appropriateness as a gift (except significantly in charitable contexts where the relationship between donor and recipient is similarly impersonal) seems to be a peculiarity of our own culture – a peculiarity which is explored in some detail in the chapter by Bloch (see also Wolfram (1987). The gift, as Schwartz (1967) has noted, imposes an identity on both the donor and the recipient, and reveals 'the idea which

the recipient evokes in the imagination of the giver'. But gifts of money do not impose an identity in the same way, and in this respect its abstract impersonality dissolves the giver's authority. The problem seems to be that *for us* money signifies a sphere of 'economic' relationships which are inherently impersonal, transitory, amoral and calculating. There is therefore something profoundly awkward about offering it as a gift expressive of relationships which are supposed to be personal, enduring, moral and altruistic. But clearly this awkwardness derives from the fact that here money's 'natural' environment – the 'economy' – is held to constitute an autonomous domain to which general moral precepts do not apply (cf. Dumont 1977). Where it is not seen as a separate and amoral domain, where the economy is 'embedded' in society and subject to its moral laws, monetary relations are rather unlikely to be represented as the antithesis of bonds of kinship and friendship, and there is consequently nothing inappropriate about making gifts of money to cement such bonds.

The radical opposition which so many anthropologists have discovered between the principles on which gift and commodity exchange are founded derives in part, we believe, from the fact that *our* ideology of the gift has been constructed in antithesis to market exchange. The idea of the purely altruistic gift is the other side of the coin from the idea of the purely interested utilitarian exchange (Parry 1986), and we cannot therefore expect the ideologies of non-market societies to reproduce this kind of opposition (cf. Strathern 1985). In his contribution to this volume Parry discusses a series of cases which exemplify a whole range which runs from a situation in which the (supposedly) morally unproblematic sphere of gift exchange is opposed to morally perilous commodity exchange, to one in which it is gift exchange which represents a dire moral peril while commodity exchange is distinguished from it by its moral neutrality, to a context from which this kind of opposition in moral evaluation appears to be largely absent.

While those who write in the Marxian tradition stress the mystification which accompanies commodity exchange, they tend by antithesis to treat the world of gift exchange as non-exploitative, innocent and even transparent. An instance of this romantic idealisation of the world of gift exchange is Taussig's otherwise highly suggestive discussion of the way in which the peasantry of the Cauca valley in Columbia have symbolically constructed the world of commodity relations (Taussig (1980). By contrast the chapters by Sallnow and Bloch in this volume show just how far from being politically innocent such non-commodity exchanges often are, while Parry argues that in Hindu India it is not commodity exchange which is ideologically problematic and loaded but rather what is often made to stand for innocence in Marxist writing – the exchange of gifts.

How misleading it may be to imply that there is universally some kind of unbridgeable chasm between gift and commodity exchange is illustrated by Hart's recent discussion of exchanges of fish for yams and vegetables between coastal and inland villages in the Trobriands. Sometimes these exchanges take the form of ceremonial prestations (known as *wasi*) between community leaders; sometimes of barter between individual households (*vava*). Hart argues that the first reflects:

> high social distance and weak political order, bringing big men and corporate organization into play. Informal interpersonal haggling reflects low social distance and strong political order. The issue is whether individuals belonging to different groups feel free to risk the conflict inherent in barter without invoking all the danger, magic, prestige and hierarchy that go with ceremonial exchange. Thus one form is a temporary social framework created in the relative absence of society; the other is an atomised interaction predicated on the presence of society (Hart 1986).

The essential point for our purposes is that Hart's approach allows him to emphasise the dynamic aspects of these institutional arrangements, for it is easy to see how a breakdown in political relations between coastal and inland villages would effect a shift from barter to ceremonial exchange, and their reestablishment a move back in the other direction. Here at any rate the opposition between 'gift exchange' and 'commodity exchange' looks rather less absolute than is often implied, for it seems that one may evolve rather easily into the other.

We are similarly somewhat sceptical of the radical opposition between 'gifts' and 'commodities' implied by the notion of 'fetishism' to which we have previously referred, and of the enormous significance attributed to money in the creation of such phantasmagoric constructions.

For Marx there is a crucial distinction – though it is not always consistently maintained – between money as capital when it is exchanged for labour power, and money as mere money when it is exchanged for the products of labour. Since surplus labour is the source of capital accumulation, and since it is only in capitalism that labour power is routinely exchanged for money, it may be argued that it is only here that money will generally appear to have the self-expanding value implied by the notion of fetishism – that it becomes an aspect of the nature of money that it 'breeds' more money. At any rate Marx writes as though, in the absence of commodity exchange mediated by money, the products of labour are recognised for what they really are. In the pre-capitalist world, relations do not take this 'abstract' form but rather the form of concrete personal relations. In the Middle Ages, for example, the personalised nature of economic relations meant that there was