

#### 4. NON-MARKET EXCHANGE STRUCTURES

This chapter follows the general shape of the rules vectors specified in Appendices A and B to describe three exchange structures that are characterized by traditional rules of fixed allocation. Two of these exchange structures are derived from economic anthropology while the third is taken from sociological accounts of hidden-economy and self-help activity in contemporary industrial society.

We begin with the structures derived from economic anthropology, where our reading of the anthropological record yields two types of fixed-allocation exchange that can be rendered as rules vectors. These are the subsistence and prestige exchanges of primitive economies.

##### 4.1 SUBSISTENCE EXCHANGE

The subsistence exchange structure consists of small coresidential groups that are both producers and consumers of the goods and services that circulate in the system. Such groups may be families, households, clans, manors, etc., usually consisting of coresident extended kin (Nash 1961). It often is the case that the group will not have a large pool from which to draw members, resulting in a high level of interrelatedness. The goods that they exchange tend to be non-durable, mainly foodstuffs, representing almost their entire income (Dalton 1964). Services in subsistence groups usually consist of reciprocal exchanges of labor power for shelter construction or food production.

Subsistence economies usually are regarded as exhibiting very infrequent exchange. Certainly this is true of trade between groups. Where such trade does exist, it takes the form of direct barter in peripheral markets where small quantities of produce are exchanged in face-to-face transactions. The goods in such markets consist wholly of incidental or serendipitous surpluses that occur when producers perceive that they have exceeded their subsistence needs. Hence, the prices of goods in these peripheral markets do not stimulate increased production.

Demand for goods produced outside of the subsistence group is very uncommon, and only likely in cases of extreme need for commodities that are unavailable internally (Forde and Douglas 1956). Such goods are likely to be traditionally known commodities, and a bid to buy will be made as a bid to supply. Such offers to supply are made by open display at a customary point of exchange, such as a roadside stall or a silent trade post.

Silent trade occurs when exchange partners neither meet face-to-face nor through an intermediary (Montandon 1934), for example, agriculturalists leave produce at a customary location for fishermen from another tribe to take and leave fish in exchange (Quiggin 1949). Such exchanges may be indicative of a low level of trust between partners, particularly fears for physical safety. However, even in

silent trade, the expectation of future repetitions of exchanges reinforces transactions between groups. Even so, information remains restricted between groups and, since it can be costly to collect, asymmetries may persist over time.

It is important to distinguish these relatively uncommon trading exchanges from the daily incidence of marketless exchange that takes place within the subsistence group in accordance with continuous social obligations that are defined by custom.

Consumption of subsistence items is shared according to fixed customary rules of allocation such as those which require certain cuts of meat to be given to specific relatives of the hunter, or those which stipulate who may expect to eat at a particular woman's cooking fire. In addition to promoting group interreliance, and reminding members of their kinship, these sharing rules reduce risk by assuring continuous supplies of scarcer foodstuffs, especially meat or fish (Forde and Douglas 1956).

Demand for subsistence goods is constant and signaled through the production/consumption group. Since reciprocity is usually delayed, a bid to buy may look simply like a demand for supply, that is to say that goods will be offered with the expectation of a return. Bids to buy or, more accurately, to consume are made when the buyer has insufficient supply of his own and other producer/consumers have surplus. For goods and services that are common property, bids to share in consumption are made on the basis of availability. Offers to sell or, more accurately, to supply, are made usually without expectation of immediate return.

Suppliers are the same individuals as demanders within the production/consumption groups of subsistence exchange structures. However, fixed rules for allocation of particular goods to particular persons may restrict supply according to kinship or the sexual division of labor. Supplier restrictions may be very few and simple, such as the Bushman exclusion of women from hunting (Lee 1968). More complex rules may stipulate a hierarchy of suppliers and demanders based on obligations of gender, age, or kinship relationship.

The subsistence structure also is characterized by simple technology for production and storage. Supply is restricted by the boundaries of the production/consumption unit, and its geographical range (Nash 1964) while storage is limited to smoked, dried, and salted products, nuts and grains, and to live storage "on the hoof" providing blood and milk for immediate use and long-term storage of meat. There may be continual availability of certain agricultural and pastoral products, however, supplies of fish and game may be erratic (Forde and Douglas 1959). Among hunter-gatherers production is for the satisfaction of daily needs (Lee 1969). More technologically complex societies may produce for seasonal or annual but, nonetheless, immediate needs.

The principal technical constraints on subsistence supply are a low level of technological development, simplicity of tools, and lack of applied science in production techniques (Nash 1964). Institutional

constraints are a relatively simple division of labor, difficulty in coordinating labor for large projects, such as clearing forest for agriculture or hunting large game, and the internal distributive rules that constrain supply to individuals while guaranteeing minimum availability to all group members. Seasonal variation in availability of plant and animal species is a major constraint in many areas, as well as a source of uncertainty. Also, predatory raiding by other human groups or animal species may upset supply.

Property rights in subsistence exchange structures may be quite varied. However, apart from very few simple personal items, major productive resources, i.e., land and game, are likely to be either open access, as in the case of hunter-gatherers, or common property (mediated perhaps through the person of a leader or chief) as in feudalism. Where there is open access to resources, property rules do not apply since entitlements to use and manage are not defined effectively. Whereas the title to crops, livestock, etc. usually is held by leaders of households, usufruct, i.e., the customary right of use, commonly applies to all members of the household group whose leader is recognized as the legitimate manager of the resource, in many cases, usufruct may be enlarged to include extended kin.

Transferability of property rights seldom applies to goods or services in subsistence exchange structures. This is because members of these societies are inextricably linked together in a continuing web of obligation and counter obligation. Therefore, a resource manager may not be able to alienate property that is held (explicitly or implicitly) on behalf of a household or kinship group. In a sense, all members of the group may hold a lien on property, and transfer of title may only be made legitimately by consensus of the stakeholders. Legitimation of exchange is by adherence to customary rules of distribution within the production/consumption group, and by repeated exchange with the same partners outside of the group.

Property rights are enforced, usually through pressure from the kinship network in the form of argument, shaming, and ostracism. It is not possible to separate extra-market legal constraints from endogenous exchange-enforcement mechanisms in subsistence economies, since exchange of goods and services is synonymous with social intercourse. However, in subsistence exchange, very few goods will be durable property, therefore, although enforceability holds for property, not many resources will be expended to enforce this rule.

There is no general medium of exchange in the subsistence exchange structure, nor is an independent measure of value used. Indeed, no systematic tally is kept of goods exchanged routinely within the group. Transactions are enforced by the group through shame, ridicule and ostracism.

Within the production/consumption group, information is symmetrical and free, since privacy of information is very limited. Where recognized as such, externalities may be the subject of negotiation between parties to a transaction. More usually, externalities are inherent in exchanges and may be the ultimate motivation for the

exchange. In other words, exchange rules may be promoted by the group because they produce positive externalities for the whole, regardless of whether these rules would be selected by the individual traders. For example, sharing rules for game may not produce a net benefit for a consumer who would otherwise prefer to build credit only with the better hunters in the group. However, the externality of social cohesion provided by repeated delayed exchange may be even more important for overall survival of the group than the provision of that credit to an individual. Further, the use of fixed allocation rules may benefit the group by limiting externalities arising from individuals haggling over distribution of resources. Whilst haggling is more consistent with individual choice, it may be wasteful of resources when survival is a primary objective.

However, it is not the case that subsistence exchange systems necessarily operate at the level of marginal survival. It is important to avoid a common ethnocentric bias that equates technological and dietary simplicity with perpetual shortage and hardship. Sahlins (1972:9) describes how the Kalahari Bushmen and the Yahgan of Tierra del Fuego enjoy "a kind of material plenty," at least in the realm of everyday useful things, apart from food and water.' They achieve this affluence by restricting wants to a limited range of resources that are plentiful in their environment and limiting the accumulation of possessions to those that can be carried on their persons. Such limitations on wants are by no means unique to exotic or technologically simple societies. Dennis, Henriques, and Slaughter (1969) describe various methods of income leveling and restraints on conspicuous consumption among West Yorkshire coal miners in order to maintain the cohesion of the community. Societies like the Yorkshire miners and Kalahari Bushmen are the very antithesis of those that commit extensive resources to the second type of non-market exchange, prestige exchange.

#### 4.2 PRESTIGE EXCHANGE

The prestige sphere consists of the ritual transfer of certain restricted items, held in high esteem by the participants in the exchange. These items are almost invariably storable, and are restricted, by convention, from being exchanged for subsistence type goods (Bohannan 1959). They may, however, constitute required payments for very important services such as bridewealth payments, homicide compensation, religious and medical fees, dispute-adjudication fees, etc (Douglas 1958).

Harold Schneider (1974) disputes the separation of prestige and subsistence goods, pointing out that Africans frequently use cattle in both ways. However, the use, in some cases, of the same commodity in both spheres of economic life does not vitiate the distinction between prestige and subsistence exchange structures. The meaning that people attach to a cow as they milk it may be quite different from that which they experience when they proudly display it before their peers.

Another important aspect of prestige exchange is that transactions frequently are characterized by delayed reciprocity, so that transfers

of the goods and the return payment are not simultaneous. As Mauss (1925) points out, an alternating balance of running debt is a powerful way of promoting social bonds that ensure the continuation of a relationship that is instituted by the choice of a trading partner. The prestige sphere is often overtly competitive, as trading partners attempt to bankrupt one another by continuously increasing the scale of return payments that place the recipient in debt (Strathern 1971). Hence, the prestige exchange structure represents a hybrid of traditional fixed allocations, often involving fixed scales of equivalent values rather than prices, as well as features of true market systems, such as choice of exchange partner and negotiated prices. However, the primary object of such activities is not simply financial gain, but prestige through the creation and maintenance of social bonds.

The prestige structure is especially relevant to our present study in that it represents the earliest manifestations of credit and of a single-medium of payment for multiple goods and services (Mauss 1925). The operation of primitive systems of credit and close substitutes for money, in the absence of centralized guarantors, may hold important lessons for the resource abundance and worst case scenarios for post-disaster recovery.

Prestige exchange also may play an important role in establishing networks for long-range trade. The exchange of non-prestige gimwali goods that accompanies the transfer of prestige enhancing kula shells is one such case reported in the Trobriand Islands (Malinowski 1922). In this example, Trobrianders making hazardous ocean voyages, ostensibly to discharge prestige obligations, use the opportunity to engage in trade of items of everyday use.

Demands for prestige goods or services may be made by individuals who are recognized in the community as being of comparable moral worth to the supplier and having the resources to make a future return. Demanders must be of near equivalent status to suppliers in a formal or informal hierarchy that may be based on wealth, kinship, or office.

Demanders usually will have a following based on kinship (Codere 1950), coresidence, or personal contract (Strathern 1971). Consumption is shared within this following according to the determination of the demander, sometimes constrained by custom (Douglas 1958), and in accordance with his own outstanding obligations to creditors both inside and outside the following.

Since demand for prestige goods is for status, large balances of debt are maintained between prestations, i.e., customary offerings, based on delayed reciprocity (Strathern 1971). Prestige goods may be both divisible and indivisible, largely dependent on the level of the exchange. However, there is a strong tendency for large major prestations to be lumpy. As participants in the system pursue greater levels of prestige, the exchanges become increasingly lumpy, exposing the trader to escalating levels of risk. At very high levels, the exchange rules become very inflexible, reflecting the specificity of the exchange.

The actual number of cattle or pigs offered may be crucial, so that the whole lot cannot be regarded as divisible. Such lots may be portioned into smaller lots or combined, subsequent to the exchange, to pay off outstanding creditors, or for distribution to kin for safekeeping, as is often the case with livestock. Prestige goods may be homogeneous, as with livestock, or heterogeneous, as with the copper plates exchanged by the Kwakiutl in their potlatches. These coppers derive their value from their particular histories of past ownership by prominent individuals.

Prestige goods also are storable, either as durable items, e.g., shells in Trobriand kula exchange (Malinowski 1922, Singh Uberoi 1962), blankets and coppers in Kwakiutl potlatch (Codere 1950), iron rods among the Tiv of central Nigeria (Bohannan 1959), or as livestock in Papua New Guinea (Strathern 1971) and Africa (Evans-Pritchard 1940). Storability increases prestige through extended control over resource consumption.

Demanders are also suppliers within the networks linking kinship/local groups to prominent individuals and linking groups to one another through such individuals. Supply occurs when sufficient surplus is accumulated to pay off a major creditor and increase the scale of debt. Technical constraints on prestige supply arise from timing the availability of goods provided to the supplier by his own creditors to coincide with demand. Institutional constraints include obligations to supply other partners before one who may be making loud demands, and the strict specification of the types of goods obligated for particular kinds of transaction. Natural constraints include scarcity of prestige goods, breeding cycles of prestige livestock, and weather, especially in the case of long-distance exchanges such as the Trobrianders' kula. Major uncertainties facing suppliers include coordination of assembly of goods at the time appropriate for a prestation and, in the case of delayed reciprocity, doubt about the ability of a recipient to reciprocate in the future.

The title to property in the prestige exchange structure is held by the demanders/suppliers at the head of kin or local groups, who also are entitled to use and manage it. Livestock may be distributed among kin and followers for care and breeding. Use of byproducts (blood, milk, and dung) may belong to the stockkeeper, but not the flesh or title. However, exclusivity does not apply because status is achieved by conspicuous consumption or display of goods. Prestations usually will be accompanied by public feasting, dancing and celebration. The title to actual goods exchanged may belong to a group leader, but their benefits in prestige and use will be shared by the group as a whole. Some of the costs of putting a prestation together may fall on followers who do not receive direct benefits or explicit compensation.

The transferability of property rights may apply, as with the Kwakiutl who are able to destroy copper plates and other valuables in demonstrations of conspicuous consumption (Codere 1950). In other contexts not all rights are transferable. For example, many kinship systems reserve some rights of a lineage over its daughters who are exchanged in marriage, even where bride price is paid.

Residual property rights may persist after the title is transferred, especially when the exchange is based on delayed reciprocity. Failure of a recipient of the title to perform some future obligation may cause the title to revert to the original owner, who may also be entitled to compensation for incidental losses from its use by another. For example, a herder reclaiming cattle from an unfulfilled marriage contract might be entitled also to claim calves that would have been his had he not transferred the beast to another (Evans-Pritchard 1951).

The enforceability of contracts is maintained through repeated transactions, and the social sanctions of shaming, ostracism, and exclusion from the prestige exchange sphere. As with subsistence economies, it is not possible to separate the extra-market enforcement mechanisms from the exchange activity, all the more so since the principal purpose of prestige exchange is the creation and maintenance of social relations through an exchange idiom.

Bids to buy are made within the kinship or local group, or within the wider circle of group leaders who have established customary patterns of exchange. The timing of bids to buy depends upon the buyer, knowing that the seller has resources and sufficient time has elapsed since the buyer made an appropriate prestation to the current seller. Also, the buyer may seek to call in debts when pressed by his own creditors.

Bids to buy are made through hints and complaints recalling previous prestations from the present consumer to the present potential supplier. Recollection of existing lineage debts from previous generations may be important in bids to obtain wives. Of course, as previously observed, not all debtors are equal.

Offers to supply may be made to a particular creditor without necessarily an expectation of immediate reciprocity. Once again, not all creditors are equal. The supplier will attempt to give priority to exchange partners with marginally higher status than his own. The timing of offers to supply are chiefly dependent on resource availability and the time elapsed since receiving a prestation from the current demander. Timing may be affected, as among the Kwakiutl, also by the need to save face, or regain status lost as a result of some independent humiliation (Codere 1950).

The media of exchange are a limited range of customarily recognized prestige goods. These include (in various places) women, cattle, pigs, shells, iron rods, raffia cloth, coppers, etc. Some of these commodities may become close substitutes for money in the prestige sphere and are used for bridewealth and mortuary payments, initiation fees to various cults, homicide compensation, court fees for dispute settlement, etc. However, subsistence goods are not accepted in exchange for prestige goods in any quantities, except in exceptional circumstances defined by ritual obligation or extreme emergency need (Douglas 1958, Bohannan 1959). Pricing in prestige spheres is almost invariably according to convention or arrived at through haggling around conventional norms or ideals.

Just as transactions are legitimated through feasting or other public celebration, usually involving conspicuous display or consumption, they are enforced through shaming. Defaulters may be "rubbished" or excluded from future transactions with any partner (Strathern 1971). Legalistic sanctions also may be applied, but these seldom are entirely separate, given the multicentric exchange structure.

Participants in prestige exchange try to restrict accurate information about their resources in order to defer the demands of creditors. However, this usually is difficult in small-scale societies. As in the fine-art market and the desirability of acquiring English stately homes, information about the good, demander, and supplier is an integral part of the prestige exchange structure. This is due to the fact that prestige exchanges are characterized by general display.

Where information costs are low, it is likely that the history of the good, its past owners, and its new owner will affect the level of prestige that is attached to the trading of the good. An English home that is known to have been occupied by an historical personage or family derives value from the personal prestige of its former owners. A work of art that has been displayed in several major museums is likely to sell for more than a technically comparable piece by the same artist that has remained in obscure ownership for many years. In such cases, prices for prestige goods are used as screening devices, but do not necessarily reflect immediate demand/supply information. Similarly, a Rolls-Royce or a designer garment carries a price that does not merely reflect demand for luxury cars or clothing. Where information costs are high, perhaps because there are many traders, the price of the good is more likely to be used as a measure of its prestige value. Within conventional limits, prices will be responsive to characteristics of current and past traders for the good, especially where it is difficult to determine the precise quality of the good.

It is almost perverse to talk of correcting externalities in an exchange system that exists primarily to generate effects that would be considered externalities in conventional or, as we call them elsewhere, formal market systems. Prestige exchanges invariably benefit more persons than the immediate parties to the exchange, for without public display, exchange that is designed to confer or obtain status or social recognition and promote social bonding and loyalty to kinship or local groups would become meaningless. At the very least, others will be invited to a feast or party to witness the exchange as, for example, at weddings.

Both prestige and subsistence exchange may coexist in space and time. For example, that man cannot live by bread alone is illustrated by the existence of prestige spheres in very simple subsistence societies, such as the Papua New Guinea highlanders described by Rappaport (1968) and Strathern (1971).

Each of the exchange structures derived from economic anthropology, therefore, describes only the particular sphere of exchange under discussion, it is not intended to be understood as a description of the



totality of the socioeconomic life of a people. The individual features of each sphere, as well as the particular mix of spheres, in any society are sources of the immense variety of human organization described by ethnographers (Herskovits 1962).

As pointed out in chapter three, not all such combinations of subsistence and prestige activities in face-to-face societies are to be found in the exotic cultures most often studied by anthropologists. Sociological studies of contemporary urban neighborhoods show that, when excluded from the formal market economy, people often develop informal trading and exchange systems with numerous transactions of goods and services employing a variety of skills. Two exchange structures derived from sociological studies of industrial societies are considered in this report. One, considered essentially non-market is described below. This is called intimate exchange. Another informal economic structure, known as associational exchange, satisfies the conditions of a true market structure, so it is included in the following chapter.

#### 4.3 INTIMATE EXCHANGE

Intimate exchange takes place within communes, cooperatives, self-help organizations, and extended family networks. The object of these exchanges is to emphasize the interdependence of network members at the same time as providing them with access to goods and services that they would be unable to obtain through conventional markets.

To be in the demand for a good or service in this exchange structure, consumers must belong to one or more specific transitive networks. In many respects, intimate exchange networks are comparable to the production/consumption groups of subsistence exchange. Members of effective networks include family, close friends, and kin. Kinship is not restricted to genealogical blood ties. As indicated by Stack's (1974) study of exchange among low-income urban blacks, intimate networks extend to socially recognized kin, encompassing friends who satisfy kinship expectations and can be relied upon to support the group. In Latin cultures this institution of pseudo-kinship is institutionalized as the compadrazgo (Gudeman 1971, Lomnitz 1971). Geographical proximity usually will be important for network integration.

The issue of property rights is central to understanding intimate exchange structures. The title to specific property is held by individual group members who have the right to transfer it both within and outside of the group. However, the entitlement to manage property held within the group is exerted by the network itself. Entitlement to use such property is held temporarily by any member with an expressed need, given that the resource is currently available, and not being used by someone else whose needs are collectively judged to be equivalent. Membership in the network implies that use of property by other members is agreed to voluntarily by owner. Seizure by someone outside of the network is prevented by extra-market legal constraints, such as appeals to the police and the court system of wider society.

Consumption within the network is shared according to the principle of positive reciprocity. The reason for such sharing is a perceived dependency on the network for day-to-day support (Robinson and Henry, 1977). Principles operate which prevent any member from (a) collecting an abnormally large share of the network's resources (Lomnitz 1971); (b) acting in direct competition with other members (Stack 1974); and (c) being denied access to goods and services because of their diminished capacity to reciprocate, as is the case with children, handicapped, infirm or elderly members (Lowenthal 1975). This monitoring process is facilitated by the symmetry of information that is available within an intimate network where everyone is known to everyone else.

Demand for goods or services in the intimate exchange structure may be for survival, as in subsistence exchange, or status, as in prestige exchange. Among low-income groups, there is usually a consistent demand for survival because of the frequency of crisis events. Among high-income groups, demand may be for status or to achieve political office. The act of exchange is performed in many cases to reinforce social obligations among group members, rather than when particular wants arise. "A person who values a relationship will activate it periodically in small matters, rather than wait for a pressing need to arise; he thereby shows his friends that he is ready to be of service to them at any time" (Lomnitz 1971:96).

It follows from the localization of supply and demand within the network, that the suppliers of goods and services are essentially the same as the demanders. This arises from the interdependence of network members and the condition that all skills, resources, and services are shared according to the expressed needs of those members (Stack 1974). Furthermore, it is common to find that members are united by common experiences, which imply similar abilities.

Supply is highly dependent on the operation of the network including the maintenance of boundaries, optimal network sizing, the ability of the network to obtain resources from the outside market economy, and the competence/expertise of network members. The supply of services is fairly continuous as long as the network is sufficiently stable. The supply of goods, however, is highly dependent on the formal market system and usually is characterized by erratic availability.

The major uncertainty facing suppliers is resource availability from the formal markets. To some extent, this uncertainty can be mitigated by gossip channels among networks. Dow's (1977) study of urban poor found that gossip is one of the principal goods exchanged in intimate networks and that one of its functions is to convey information about resource availability. Furthermore, such information is the principal commodity exchanged by brokers or gatekeepers who belong to multiple networks that would otherwise have access only to their own information.

One way to overcome uncertainty of supply is through storage. Indeed, goods may be stored centrally within intimate networks, but particular transaction rules make it likely that this will occur only for short periods of time, if at all. It is more likely that savings

will exist within the network on a group basis, where members repeatedly swap goods with each other so that there is continuous redistribution. Hence, a particular demand for durable goods may not be a final consumption. Stack (1974:33) describes how low-income urban blacks swap durables with each other in order to trade them for daily necessities. "As people swap, the limited supply of finished material goods is perpetually redistributed among networks of kinsmen and throughout the community."

There is more certainty about services since the network consists of a limited number of identified consumers and suppliers. Services are stored in the skills of the members, where a constant inventory level is maintained for network stability. Information about members' skills is readily available within the network which enables people to calculate the total resources available at any time.

Bids to obtain goods or services within the network are made by expression of need in the course of daily interactions. In some cases this may be direct, while in others it may be a general expression of need, thus allowing suppliers to propose the terms of the good or service. Among the Chilean middle classes, "In requesting or returning a favor certain rules of civility are observed in order to avoid mutual embarrassment. Requests for favors are intimated, suggested, or phrased as requests for advice, so that the compadre is free to propose the service on his own terms" (Lomnitz 1971:96). However, a fundamental aspect of the bids to buy in the intimate market is that there is limited shopping around in the network. Thus, consumers do not have the option of making comparisons across a number of suppliers since this would undermine the trust of the social relationship.

Offers to supply goods and services in the intimate exchange structure are made without expectation of direct and immediate material returns. The obligation to return is left implicit in the offer. In addition, there is the principle of adequacy of response which, according to Lowenthal (1975:464) "requires that those responding to a need do so as fully as they are able even though the person in need may not have responded to others to the same extent owing to his own limitations."

Offers are affected by timing in one of three ways. The first is to respond to an expressed need of the consumer. In this case, the supplier attempts to fulfill completely the need of the network member. In the second case, where an expressed need is not outstanding, sellers will offer goods and services to maintain a debt balance with other network members (Davis 1972). This debt balance is crucial to reinforce the relationship among members and ensure that it will exist for the times that there are expressed needs. Finally, offers to sell will depend on resource availability.

Maintenance of debt is one way of smoothing the effects on the network from resource uncertainty. It also provides the means whereby externalities are corrected within the network. Prices for goods and services are negotiable after the transaction through evaluation and adjustment of the running debt balance. Price adjustment also is

facilitated by the absence of an explicit medium of exchange, since members use a barter system.

Membership in the network is essential to both the legitimation and enforcement of transactions. Thus, members have some notion of their standing in the network and social pressure is used to make them conform to the rules of the group. These rules include the requirement that certain transactions be maintained, such as the running debt balance between traders, multi-stranded transactions, and the habitual exchange of goods and services in the absence of a needs or wants motivation. Failure to live up to norms of participation is met by moral pressure exerted through shaming and the use of mild to severe verbal aggression, irony, ridicule, and condemnation (Henry 1983). These evaluations are constantly delivered through gossip, as shown in Mars and Altman's (1983) study of Georgian jewry. The pressure to comply with consumer requests occurs even at great inconvenience to the supplier. The quality of the performance is a major determinant of the supplier's standing in the network (Lomnitz 1971).

In certain respects, the intimate exchange structure may be viewed as a hybrid of subsistence and prestige exchange. However, it is unique in that it is found within, and often opposed to, the larger economic structure of contemporary industrial society. Intimate exchange, identified in sociological studies of self-help and hidden-economy activities, exists as a parallel economy to the market exchange structures described in the following chapter.