ORIGINS OF SOCIAL EXCHANGE

by

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ABSTRACT

The objective of this thesis was to identify and critically analyze the existing theoretical origins of social exchange.

The identification and analysis of theoretically proposed origins of exchange was based on a thorough review of the works of the better known social exchange theorists.

In the course of the review and analysis, it was discovered that social exchange theory consists of two distinguishable bodies of literature. Further, each of the two bodies of literature proceeds from its own assumptions concerning the nature and extent of social exchange activity, including the origins of such activity.

Critical analysis revealed the possibility of the construction of a unified, more parsimonious conception of the origins of social exchange. The concept of social solidarity and its role as both causal agent and social result of exchange processes provided the basis for a new explanation of the origins of social exchange.

The general conclusions of the thesis are four. First, two models of social exchange exist in the literature. They are the generalized model and restricted model. Second, the origins of exchange assumed by each model differ. The
generalized model posits the functional requirements of the group for integration and survival as origins. The restricted model posits psychological needs and/or rational economic motives as origins. Third, the generalized exchange model is capable of subsuming the restricted exchange model, at least insofar as origins of exchange are concerned. Fourth, it is concluded that both the restricted and generalized exchange models are linked in one crucial way. Both models implicitly deal with the creation of social solidarity, and the way in which the models are related through the concept of social solidarity is explained.
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CHAPTER I

INTRODUCTION

This thesis identifies and analyzes the various theoretical starting mechanisms, both implicit and explicit, which underpin the social exchange process. The analysis of the origins of social exchange will focus on:

(a) restricted exchange: origins framed in terms of psychological needs and rational economic motive and

(b) generalized exchange: origins framed in terms of the relationship between the individual and the laws of the organized whole.

Further, a new explanation of the origins of social exchange, based upon the two major classes of starting mechanisms posited by existing theory, will be proposed.

The conceptual framework which will be used can be summarized in the following statements.

(1) Social exchange theory is differentiated into two main divisions: (a) individualistic and (b) collectivistic.

(2) Individualistic social exchange is characterized by restricted (dyadic) interaction and mutual
reciprocity. Collectivistic social exchange is characterized by generalized interaction and univocal reciprocity.

(3) Restricted exchange and mutual reciprocity focus on the nature of individual interaction and exchange, and do not theoretically require the assumption of a social reality independent of the individual. Generalized exchange and univocal reciprocity focus on exchange occurring in a matrix of social trust which exists prior to specific acts of social exchange. This matrix of trust is one aspect of a socially constructed reality which is independent of any given individual and which is seen to be organized according to laws of its own. In other words, the assumption is made of a social fact which is theoretically treated as a thing (e.g., Durkheim, 1938, p. 14).

Social exchange theory in general encompasses two types of exchange: restricted exchange and generalized exchange. Restricted exchange may be defined as that which "includes any system which effectively or functionally divides the group into pairs of exchange units so that for any one pair X-Y there is a reciprocal relationship" (Levi-Strauss, 1969, p. 146).

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1 Before proceeding, the use of the term reciprocity should be
Ekeh (1974, p. 51) notes that there is a distinction to be made between what he calls exclusive restricted exchange and inclusive restricted exchange. In exclusive restricted exchange the actors have no other social partners, i.e., they are isolated dyadic social exchange relationships. Under inclusive restricted exchange "the restricted exchange partners are implicated in a larger whole and hence there exists the possibility of change of partners" (Ekeh, 1974, p. 51). In restricted exchange the two parties to the social exchange transaction benefit each other directly and do not give to any other party. Given four persons then, restricted exchange would operate in pairs: A-B, C-D, A-C, B-D, A-D, B-C.

Generalized exchange, to quote Ekeh (1974, p. 52) "operates on the principle of what Levi-Strauss calls univocal reciprocity." Footnote continued from previous page:

clarified. Parallel to the duality of restricted and generalized exchange there exist dual meanings for reciprocity as well. As used by Gouldner (1959, 1960), Homans (1961, 1974) and Blau (1964), reciprocity refers to the mutual reinforcement by two parties of each other's actions. Gouldner (1960) has posited a norm of reciprocity which governs such reinforcement in the restricted exchange situation. In Levi-Strauss' (1969) theory the principle of reciprocity takes on a broader meaning in that there is a posited obligation to reciprocate a given action, not necessarily by directly rewarding the exchange partner from whom a benefit came, but by rewarding another social actor implicated in the general social matrix of which the giver and receiver are a part. The term mutual reciprocity shall be used in speaking of exchange situations involving two individuals only (or dyads), while the term univocal reciprocity shall be used in speaking of exchange situations involving a minimum of three actors and where these actors reward one another indirectly.
reciprocity. It occupies a unitary system of relationships in that it links all parties to the exchange together in an integrated transaction in which reciprocations are indirect, not mutual". The unitary system referred to implies the opposite of the pairing which characterizes restricted exchange: any and all members of a social system are implicated in any given exchange in this conception. As in restricted exchange, there are two basic types. The first, Ekeh (1974, p. 53) calls chain generalized exchange, in which individuals are so positioned that they operate a chain of univocal (one-way) reciprocations to each other, as in the following: A-B-C-D-A. The second Ekeh calls net generalized exchange, of which there are two sub-types. These are (1) Individual-focused where the group as a whole benefits each individual consecutively as follows: ABC-D; ABD-C; ACD-B; BCD-A, and (2) Group-focused where individuals successively give to the group as a unit and then gain back as part of the group from each of the unit members as follows: A-BCD; B-ACD; D-ABC (Ekeh, 1974, p. 54). Ekeh (1974, p. 54) notes generalized exchange places the generally accepted notion of reciprocity (Gouldner, 1960) under some strain. Gouldner (1960, p. 169) states "it would seem that there can be stable patterns of reciprocity in exchange only in so far as each party has both rights and duties". Discovering such rights and duties in generalized exchange becomes more difficult in that the focus of these rights and duties must also rest on the group sui generis. Therefore, an old
question arises: is the group real? The individualists take the position that as far as social exchange goes, the group, in an external sense, is not real. However, if net generalized exchange exists empirically, as has been documented by Levi-Strauss (1969), Malinowski (1926) and Mauss (1925), then the reality of the group would be implied a priori. In net generalized exchange, for example, individual A who benefits BCD together cannot press claims against B, C, D, for separate returns, but only (BCD) together (Ekeh, 1974, p. 54). In the case of chain generalized exchange, the situation is more subtle and without logical solution. As the operation of exchange within the A-B-C-D social interaction is much less obviously unitary to each individual, why does this type of exchange function? Levi-Strauss (1969, p. 265) proposes that both types, chain and net, operate under what he calls a law of extended credit, or more succinctly univocal reciprocity, which is distinguished from mutual reciprocity. In a generalized exchange situation "the receipt of a benefit by any one party is regarded as a credit to that party by all other parties and therefore his reciprocation is regarded as a credit to all of them" (Ekeh, 1974, p. 55). A major implication of this type of reasoning is that generalized exchange systems require and are based on the concepts of trust and solidarity.

As previously stated, the origins of social exchange are framed in terms of psychological needs and economic rationality in individualistic theory, and in terms of the structural-
functional requirements of social reality sui generis by the collectivist theorists. The dimensions of this duality, which arise from a comprehensive review of the literature, determine the organization of the thesis. Thus Chapter Two is devoted to a discussion of the individualistically oriented origins proposed by Homans, Blau, Thibaut and Kelley, Coleman, Emerson and Foa, or at least implicit in their formulations. Chapter Three will examine the collectivistic origins posited by Levi-Strauss, Malinowski, and Mauss. Chapter Four summarizes the two distinct theoretical classes of originating mechanisms. More importantly, Chapter Four proposes and discusses two new hypotheses which suggest a resolution of the duality between classes of origins now existing in the literature of social exchange theory.

The origins of social exchange are, at this point in the development of social exchange theory, framed to an overwhelming degree in terms of the individualist orientation. The review of the social exchange literature will show that the best known, most often quoted theorists are generally from North America and proceed, almost exclusively, from an individualistic viewpoint. The origins of social exchange then, would appear to anyone approaching the field to be contained in one or two concepts, or possibly some combination of both. These two concepts are (1) psychological needs, and (2) rational economic motives.

The task of this thesis is to isolate the assumptions regarding origins of social exchange which have been used by
social exchange theorists in general, then to analyze and categorize these assumptions regarding starting mechanisms, and finally, to assert whether the extant categories of assumptions are irreconcilable or whether there is an underlying unity between them. The unifying concept which will be used is social solidarity. It will be argued that the creation of social solidarity may be accounted for by combining both classes of theoretical origins. It will be demonstrated that the use of either class alone is inadequate, and that each class of origins complements the other in accounting for the creation of social solidarity. This discussion is contained in the concluding chapter.

It will be shown here that the individualistic view is sufficient unto itself, and indeed is supported by a great deal of directly and indirectly related research. However, its great strength, which is a sophisticated understanding of social exchange in dyadic form, i.e., restricted exchange, is also its great weakness. For the individualistic orientation is unable to deal with origins of social exchange beyond the purely additive complexity of groups of dyads in social interaction.

The proponents of the collectivist view, on the other hand, take the position that social exchange cannot be fully understood using the dyadic formulation of restricted exchange alone. When the dyadic formulation is extended to the understanding of groups or societies, it leads to the conceptualization of societies as aggregates. Aggregates of multiple dyadic pairs
form the elements of the composite which is then called the group. A collectivistic view regards the group as a whole, which has a social structure independent of the particular elements which compose it. As Piaget (1968, pp. 6-7) has pointed out, it is important to understand

...the fundamental contrast between structures and aggregates, the former being wholes, the latter composites formed of elements that are independent of the complexes into which they enter. To insist on this distinction is not to deny that structures have elements, but the elements of a structure are subordinated to laws, and it is in terms of these laws that the structure qua whole or system is defined. Moreover, the laws governing a structure's composition are not reducible to cumulative one by one association of its elements (as in the case of aggregates): they confer on the whole as such over-all properties distinct from properties of its elements.

This contrast is a familiar one in systems theory, which makes a distinction between studying the elements of a whole or system, and studying the system itself. Bertalanffy, one of the founders of modern systems theory, has stated (1969, pp. 58-60)

the classical mechanistic view of science is now inadequate in the psychological and social sciences because the problems that they now face are no longer ones of 'process laws' such as Newton's laws or the laws of electrodynamics but rather they are faced with 'problems of organized complexity.'

The collectivistic approach to origins of social exchange requires that origins, in part, be articulated in terms of a social structure which is independent of the individuals (elements) of which it is composed. This is not an irresolvable
paradox, for the articulation referred to is, at least partially, framed in macro-social terms. To refer once again to Durkheim (1938, p. 14) the collectivistic approach does indeed treat social facts, aggregative patterns, and constructed social realities as things. They are cognitive (referring to the individual) and structural (referring to the observer) objects which have a facticity insofar as they represent regularities not observable in individual social actors, and which may be defined as

...every way of acting, fixed or not, capable of exercising on the individual an external constraint; or again, every way of acting which is general throughout a given society, while at the same time existing in its own right independent of its individual manifestations (Durkheim, 1938, p. 13).

While one may quarrel with the particular form of his definition, or with aspects of it, the general conception seems clear enough. As defined here, the social fact, external and independent from individual social actors, is a cognitive structure. As such it has an ontological reality of its own, even though it is both held by and manifested through individual social actors. The theoretical theme which, it is hoped, will become evident as the critical review contained in this thesis proceeds, is that a particular social fact, i.e., social solidarity, is both a causal factor and a manifestation of both the types of social exchange which have been referred to earlier, i.e., restricted and generalized. Analysis cannot begin with the individual in the context of generalized exchange because
an individual is only one element in the social structure. His action within it is bound by the spatial and temporal restrictions implicit in his cognitive structure of the social fact. But neither can the individual be ignored, for if he is then the elemental units, the acts and cognitions which compose the structure, will have been assumed away. The collectivists propose to deal with the origins of social exchange on two levels. The first are the "laws of organized complexity" which govern the action of a whole or system, of which we have given an example, i.e., the norm of reciprocity; second, the function of the individual as the composite element of the system, whose psychological characteristics provide the matrix out of which, consciously or unconsciously, the diverse empirical social realities are made manifest. The individualists, while focusing their attention on the process of restricted exchange, also are addressing the issue of social patterns which, at least in the sense implied here, constrain and inform the parties to any exchange. It will be argued in the following chapters that although the twin conceptions of restricted and generalized social exchange appear to differ in a categorical sense, they are in fact aspects of a dialectical relation which both causes and manifests a single social fact: the fact of the solidarity of social groups. Fromm (1944, p. 380) offers a succinct statement which characterizes the sense in which the origins of social exchange will be developed in the argument to follow. To paraphrase,
origins of social exchange have to derive from an individual's desire (based on psychological characteristics) for what is objectively necessary (based on the structural laws which characterize the social system as a whole) for them to do. This thesis shall develop the position that social exchange, in both of its meanings, describes a dialectical relation, one synthesis of which is the social fact of solidarity. Further, the causal factors of the "desire" of the individual and the functional requirements of the collectivity may be accounted for in a conception of social exchange which treats restricted and generalized social exchange as being in a dialectical relation, the dynamics of this dialectic producing varying degrees and qualities of solidarity.
Chapter II
ORIGINS OF EXCHANGE IN INDIVIDUALIST THEORY

As stated in the introduction, this chapter undertakes two tasks. First, individualistically oriented social exchange theory is reviewed and its exclusive emphasis on restricted exchange is documented. Second, it is shown that dyadic form as the interaction paradigm, which characterizes individualistic social exchange theory, has meant that its explanations of origins of interaction are framed in terms which relate to individual actors alone.

A review of the social exchange literature indicates that individualistic social exchange theorists rely exclusively on individual psychological needs and rational economic motives to account for origins of exchange. In a recent review, a leading individualistic exchange theorist (Emerson, 1976, p. 337) notes that the fundamental analytic concepts of social exchange are still, in his view, concepts of reward, reinforcement, utility, cost, profit, payoff, transaction, etc.¹

¹This is not to say that other origins are in fact incapable of being conceived of in individualistically oriented analysis. Altruism is a good example of an attempt at framing an alternative origin which has received some attention from individualists in social exchange theory. However, although Berkowitz (1972, pp. 64-65) states that altruism is not the rare species implied by individualist theorists, it does seem accurate to say that origins other than psychological need
The literature reviewed for this study included the major works of the better known individualistic social exchange theorists—Homans (1955, 1958, 1961, 1974), Blau (1964, 1968), Thibaut and Kelley (1961), Coleman (1966), Emerson (1972) and Foa (1971).

The two tasks outlined at the beginning of this chapter shall be accomplished in the following way. First, evidence that individualist theorists base their analysis on the dyadic model of social interaction will be presented. Second, it will be demonstrated, using relevant material from the works of each author, that, concomitant with the adoption of the dyadic model of social interaction, individualistic social exchange theory posits that interaction originates from either psychological need, economic motive or some combination of the two.

Before proceeding, it should be pointed out that while the terms "individualist" and "collectivist" are used here to categorize both exchange theorists and their theories, this terminology is not current within the literature of social exchange. Rather, the terminology has been adapted from Ekeh (1974) with the hope that its use as a classification device would enable one of the main arguments of this thesis to go forward. Specifically, this argument proceeds from the hypothesis that social exchange theory is divided into two main classes, each of which deals with differing social phenomena;

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and rational economic motive are not generally accepted in individualistic social exchange theory.
while using similar analytic concepts. Hence this chapter and Chapter Three are devoted to describing and testing the "hypothesis" that each social exchange theory so classified indeed should be, according to the criteria which have been outlined in Chapter One. To briefly review these criteria, individualistic social exchange theory is characterized by

1. dyadic social interaction
2. mutual reciprocity
3. absence of reference to any supra-individual social entity,

while collectivistic social exchange theory is characterized by

1. generalized social interaction: i.e., not less than three social actors
2. univocal reciprocity
3. the assumption of a supra-individual social entity, however particularly defined.

It will not be assumed that any particular theorist or theory must totally meet these criteria, but that the substantive body of any theory will tend to meet one set of criteria much more than the other. Hence, any given theory may well include some aspect of individualist (as defined above) theory but be overwhelmingly framed according to the criteria of collectivistic theory or vice versa.

(A) Classification of Individualistic Social Exchange Theories

The use of the dyad as the model of interaction in indi-
individualist social exchange theory is at the root of the work of the best known exchange theorist, George C. Homans. "Social Behavior: Its Elementary Forms" (1961, revised 1974), generally considered to be Homans' prime contribution to social exchange theory, was, however, preceded by two other works which dealt with social exchange. These are "Social Behavior as Exchange", published in the American Journal of Sociology, 1958, and "Marriage, Authority, and Final Causes: A Study of Unilateral Cross Cousin Marriage" (1955). It is in the latter, rarely quoted, short book that Homans makes his first and seminal contribution to social exchange theory, in his critique of Levi-Strauss' (1949) exchange theory. The central assumption that Homans attacked was Levi-Strauss' argument that explanations based on generalized exchange are superior to those based on restricted (dyadic) exchange. Homans was highly critical of the concept of generalized exchange, as is illustrated by the following quote:

It might be argued that in extending the idea of exchange this way [to generalized exchange], Levi-Strauss has thinned the meaning out of it. (Homans, 1955, p. 7)

In this book, Homans went on to explicate, in polemical contradistinction to Levi-Strauss' exchange theory, an individual self-interest theory. He argued that an "efficient cause" (Homans, 1955, p. 17) theory, as opposed to a final cause or functional, theory provided a more general and parsimonious explanation. Homans' view of an individual self-interest theory is as follows:
An institution is what it is because it results from the drives, or meets the immediate needs of individuals, or sub-groups, within a society. Its function is to meet these needs. We may call this an individual self-interest theory, if we remember that interests may be other than economic. (Homans, 1955, p. 15)

Homans' "efficient cause" in the particular anthropological question dealt with in the (1955) book is in terms of an ego-alter (dyadic) relationship involving one individual constrained by the "authority" (Homans, 1955, p. 21) of another individual. This authority is built up from ego-alter interaction in which the individual in authority has been granted the respect with which he then extracts compliance in the form of adherence to the authority figure's wishes. In proposing the "efficient cause" as the theoretically superior one, Homans argued that Levi-Strauss' functional, or "final cause" theory is essentially redundant. This position is perhaps best illustrated by Homans (1955) where he states "we do not argue that Levi-Strauss' theory is wrong, only that it is [given the individual self-interest theory] now unnecessary" (Homans, 1955, p. 59). From the above it is inferred that Homans was initially proposing a social exchange theory that includes individuals only in its formulation, and specifically excludes any higher order abstraction, i.e., society, as explanatory.

In "Social Behavior: Its Elementary Forms" (1961, 1974) Homans more fully elaborates his social exchange theory. The premises of this exchange theory may be summed up by two
crucial assumptions:

first, social behavior involving two actors (animals or humans) is totally reducible to the behavior of individual actors; and second, animal behavior is generalizable to human behavior. (Ekeh, 1974, p. 101)

Homans says it thus:

We are less interested in individual behavior than in social behavior, or true exchange, where the activity of each of two animals reinforces (or punishes) the behavior of the other. Yet we hold that we need no new propositions to describe and explain the social. With social behavior nothing unique emerges to be analyzed in its own terms. Rather, from the laws of individual behavior follow the laws of social behavior. (Homans, 1961, pp. 30-31)

In "Marriage, Authority and Final Causes" (1955) Homans charged that the collectivistic orientation to social theory had "thinned the meaning" out of exchange. In response, his more fully developed theory emphatically states that elementary social behaviour is the key to social exchange. His exchange theory is limited to restricted exchange between two individuals in both time and space: "Social behavior is elementary in the sense that the two men are in face-to-face contact, and each is rewarding the other directly and immediately" (Homans, 1961, p. 4). The five explanatory propositions which form the logical foundation of his theory of social exchange are all limited to two-person interaction. The first four propositions refer to an individual's (person's) responses on the basis of his past experiences to another individual's
(other's) stimuli. The response of Person is entirely determined by consideration of what Person gets from the transaction. The propositions are:

From Homans, 1961, pp. 53-55:

(1) If in the past the occurrence of a particular stimulus situation has been the occasion on which a man's activity has been rewarded, then the more similar the present stimulus situation is to the past one, the more likely he is to emit the activity now.

(2) The more often within a given period of time a man's activity rewards the activity of another, the more often the other will emit the activity.

(3) The more valuable to a man a unit of activity another gives him, the more often he will emit activity rewarded by the activity of the other.

(4) The more often a man has in the recent past received a rewarding activity from another, the less valuable any further unit of that activity becomes to him.

(5) The more to a man's disadvantage the rule of distributive justice fails of realization, the more likely he is to display the emotional behaviour we call anger.

From Homans, 1974, pp. 16-39:

(2) If in the past the occurrence of a particular stimulus, or set of stimuli has been the occasion on which a person's action has been rewarded, then the more similar the present stimuli are to the past ones, the more likely the person is to perform the action, or some similar action, now.

(1) For all actions taken by all persons, the more often a particular action of a person is rewarded, the more likely the person is to perform that action.

(3) The more valuable to a person is the result of his action, the more likely he is to perform the action.

(4) The more often in the recent past a person has received a particular reward, the less valuable any further unit of that reward becomes for him.

(5a) When a person's action does not receive the reward he expected, or receives punishment he did not expect, he will be angry; he becomes more likely to perform aggressive behavior, and the results of such behavior become more valuable to him.
From Homans, 1961, pp. 53-55:
(The rule of distributive justice is stated as follows: A man in an exchange relation with another will expect that the rewards of each man will be proportional to his costs—the greater the rewards, the greater the costs—and that the next rewards, or profits, of each man be proportional to his investments—the greater the investments, the greater the profit). (1961, p. 55)

From Homans, 1974, pp. 16-39:
(5b) When a person's action receives the reward he expected, especially a greater reward than he expected, or does not receive punishment he expected, he will be pleased; he becomes more likely to perform approving behavior, and the results of such behavior become more valuable to him.

Over the course of the thirteen years separating the original and revised formulations, Homans has made changes in the basic propositional base underlying his social exchange theory. While the (1961) propositions one, two, three and four remain essentially the same in substance, proposition five has changed considerably. First, the status of the rule of distributive justice as a proposition has been altered from axiomatic to more problematic. Homans includes in the 1974 revision an extended discussion (pp. 248-268) on the rule of distributive justice, the conclusion of which is summarized in the following statement:

Relative deprivation or distributive injustice occurs when a person does not get the amount of reward he expected to get in comparison with the reward some other person gets. (Homans, 1974, p. 268)

But the rule is no longer considered as a proposition. Second, propositions (5a) and (5b), as revised, more directly include expectations and operational definitions of the outcomes of
the confirmation or disconfirmation of such expectations, i.e., approving and aggressive behavior. A close examination of all the original and revised propositions may allow a difference in emphasis in that in several cases (e.g., propositions three and four), a specific other person is no longer mentioned. It is argued here that the changes in language and content made in the propositions have not, however, altered the substantive structure implied by Homans: social-exchange still occurs, for him, directly between two individuals, contiguous in both space and time.

It is important to note that the evidence Homans offers to validate the theory is stated in dyadic terms. Interestingly, this evidence was taken from research conducted in connection with multi-person interactions, i.e., Bales and Borgatta (1955). In reviewing Homans' interpretation of the above experimental results. Ekeh (1974, pp. 132-138) states that Homans considered the multi-person interactions in the group as if they were in isolated dyadic relationship. Ekeh states that "[Homans] is wrong because, true to his social exchange theory, he is reducing multi-person interactions to multiple dyadic relationships under the assumption that all social exchange processes must be direct, not indirect" (Ekeh, 1974, pp. 134-145). Ekeh may well be correct in his assessment, but the more important point is to note what Homans assumes when interpreting the Bales and Borgatta (1955) data. These assumptions are most clearly expressed in both his opening and closing
statements in *Social Behavior: Its Elementary Forms* (1961, pp. 2, 378): social exchange must be considered to be direct interaction, rather than indirect, and it must be face-to-face interaction in which each actor rewards (or punishes) immediately and is always conducted between two individuals or in multiples of two.

The social exchange theory of Peter Blau (1964, 1968) is also individualist and relies heavily on dyadic interaction. Following the earlier definitions of various types of exchange, i.e., restricted vs. generalized, it is suggested that Blau views social exchange as inclusive restricted exchange. However, unlike Homans, Blau notes that dyadic interaction does not take place in isolation because individuals do have alternative partners with whom they may interact.

Even the analysis of social interaction in dyads, therefore, must not treat these pairs as if they existed in isolation from other social relations. The mutual attraction of two persons and the exchange between them, for example, are affected by the alternative opportunities of each, with the result that competitive processes arise that include wider circles and that complement and modify the processes of exchange and attraction in this pair and other pairs. (Blau, 1964, pp. 31-32)

A close reading of Blau would indicate that he views social interaction as the activity of pairs, each element of which is, by degrees, free to partake of exchange with alternative partners. The basic concepts which Blau develops in *Exchange and Power in Social Life* (1964) reflect the assumption that social exchange occurs between individuals in a dyadic relation.
Thus Chapter One (1964, pp. 12-32) states that basic social exchange processes are conceived of as activities occurring between two individuals, or "associates". Social attraction is discussed in terms of two individuals establishing social association on the basis of the rewards each can provide the other (Blau, 1964, p. 20). Blau goes on to lay out a series of basic concepts to be used in his subsequently fully developed discussion of social exchange processes, and it is emphasized that all of these basic concepts are grounded in the assumption of dyadic, direct interaction. For example, Blau posits two different types of rewarding relationships, intrinsic and extrinsic, which can occur. These types are also presented in terms of two individuals and the alternative possibilities available through other individuals (Blau, 1964, p. 21). The differentiation of power, a basic process with which Blau is intimately concerned, is in turn developed out of the social exchange between two individuals, dependent upon the differing number and quality of alternatives each exchange partner has (Blau, 1964, pp. 32-33).

Blau includes in his exposition of basic processes an acknowledgement of indirect exchange, and this process is framed in dyadic, restricted exchange terms as well. In the 1964 book, Chapter Ten (pp. 253-282) entitled "Mediating Values in Complex Structures" is almost entirely devoted to explicating Blau's view of indirect exchange between individuals in larger groups. However, Blau's concept of indirect exchange
is quite different from that postulated by the collectivistic theorists. Blau views exchange at this large group (indirect) level as a higher form of exchange. By contrast, Levi-Strauss and the collectivist school see indirect exchange as an elementary unit in their understanding of social process. Indirect exchange, in the view of Blau, also differs from that of the collectivists in that it does not involve individuals in generalized, univocally reciprocated, exchange. Rather, socially mediated and internalized norms stand in, as it were, for individuals in Blau's indirect exchange.

Social norms substitute indirect exchange for direct exchange between individuals. The members of the group receive group approval in exchange for conformity and the contribution to the group their conformity to social expectation makes. Conformity to normative standards often requires that group members refrain from engaging in certain direct exchange transactions with outsiders or among themselves. ... Conformity frequently entails sacrificing rewards that could be attained through direct exchange, but it brings other rewards indirectly. (Blau, 1964, p. 259)

Blau limits the part played by individuals in this conception of indirect exchange. In his view, it seems that as the complexity of the web of social interactions increases, relations are apt to become more impersonal. This possibility arises because Blau posits the "replacement" of an individual (in the more complex situation) exchange partner with the mediation of impersonalized, authoritative rules. Thus the individual is still seen to be in a dyadic relation, but in this
case it is a relation between an individual and a set of imposed rules or norms. It is interesting to note such a relation would probably be expected to change somewhat in its cognitive and affective processes, as entering an exchange with a rule or set of rules must, at the very least, differ in some regard from interaction with another human being. However, since Blau (1964) did not attempt to deal with the implications of his notion of indirect exchange vis-a-vis cognitive and affective processes, it appears that he is most interested in the structural or relational aspects of his concept. Blau (1964, p. 259) did, however, acknowledge something akin to what has been called generalized exchange. He wrote:

> Exchange transactions between the collectivity and its individual members replace some of the transactions between individuals as the result of conformity to normative obligations. There is no direct exchange of favors, but group norms assure that each friend receives assistance when he needs it. (Blau, 1964, p. 259)

Several writers have investigated the question of social norms, the best known of whom is Gouldner on reciprocity (1959, 1960). Others who have investigated norms other than that of reciprocity are Krebs (1970), Berkowitz (1972), Aronson (1967), Zimbardo (1967), and Leeds (1969) some of whom have written reviews and others who have undertaken original research. The conclusions of these scholars, when taken together, seem to indicate that little unambiguously supportive evidence is available indicating the existence and functionality of social norms other than that regarding reciprocity. These same writers
of course do acknowledge the development of group-specific norms in given situations, and it is these kinds of norms which it is believed Blau is referring to. Utilizing this notion of norms, Blau's conception of generalized exchange is expanded (1964, pp. 260-263) by a series of examples in which individuals exchange with an organized collectivity in return for rewards supplied by that collectivity.

There is an obvious inconsistency between Blau's notion of generalized exchange, as illustrated in the above quotation and his overall theory of social exchange. According to Blau's own formulation of social exchange per se, exchange must involve at least two individuals in direct interaction with one another; interaction ceases when one individual desists from rewarding the other (profitably) (1964, p. 6). But, as is evidenced by the second quote from page 259, Blau also posits a form of exchange which does not conform to his own propositions, and fails to provide any theoretical bridge between those propositions and his ad hoc notion of generalized exchange. This quote (p. 259), which refers to "transactions between the collectivity and its individual members" also refers to the lack of direct exchange which is a directly implied characteristic of collectivity/individual exchanges. Thus, in contrasting Blau's basic formulation of social exchange (1964, p. 6) which posits the necessity of the direct interaction of two individuals, with his discussion of generalized exchange, it appears unclear whether Blau is continuing to
adhere to a dyadic model, or has in fact adopted a different model.

To briefly summarize the points made in the discussion of Blau's adherence to the dyadic model of interaction:

(1) Blau's social exchange model admits to only one kind of interaction: immediate, face-to-face interaction.

(2) Individuals do have alternative partners with whom they may elect to interact.

(3) Indirect exchange, in Blau's view, consists of the interaction of a given individual with a "social norm", which is not substantially different from the interaction described in (1).

It can be inferred then, that despite Blau's reputation as somewhat of a compromiser between the individualistic and collectivistic orientations in social exchange theory (Ekeh, 1974, p. 167), Blau's theory of social exchange is decidedly individualistic.

Thibaut and Kelley (1959), in a manner similar to that of Homans and Blau, discuss social exchange in terms of the outcomes arising from it. These outcomes are the rewards received and costs incurred by each participant in an interaction (Deutsch and Krauss, 1965, p. 116). In deciding whether or not a given exchange is likely to be attractive, Thibaut and Kelley posit that an individual will make two kinds of
comparisons. First, the individual evaluates the rewards and/or costs of a given exchange against a generalized adaptation level of desired stimulus or reward. Secondly, he evaluates the rewards (and/or costs) expected from a given exchange partner against those available from alternative opportunities. These comparison levels are, respectively the CL and CLalt (Thibaut and Kelley, 1959, pp. 80-100). The CL concept refers to evaluation of the reward/cost ratio with regard to a prospective exchange partner, i.e., in an isolated dyad. The CLalt concept widens the exchange context to include, quite rightly, alternative sources of interaction but still in dyadic form. In the latter case, Thibaut and Kelley seem to envisage a chain of possibly dyadic interactions limited only by the individual's absolute number of alternatives.

In characterizing social exchange, Thibaut and Kelley use a matrix which describes the outcomes (net reward/cost benefits) of satisfaction or dissatisfaction to each participant in the exchange in quantitative terms. Clearly, Thibaut and Kelley's view of social exchange is individualistic and focused on inclusive restricted exchange. They are explicit about both aspects. Thibaut and Kelley (1959, pp. 5-6) state:

> Because the existence of the group is based solely on the participation and satisfaction of the individuals comprising it, the group functionalism becomes an individual functionalism.

> Our bias on this point is apparent: we assume that if we can achieve a clear understanding of the dyad we can subsequently extend our
understanding to encompass the problems of larger and more complex social relations.

Taking into account the dyadic, individual focus of the comparison processes used by Thibaut and Kelley and their explicit statement of theoretical "bias" as given immediately above, it seems fair to say that their theory of social exchange should be classified as individualistic.

Another conceptualization of social exchange which appears to best be categorized as individualistic is that of Coleman (1964, 1966). Coleman's "theory of collective decisions" is an attempt at reconciling the principle of purposive action (as represented by maximization of individual utility) with the realities of implementing such a principle in a large collective situation developed out of the exchange paradigm. As Coleman (1964, p. 616) explains, exchange involving only two actors, A and B, will occur when such an exchange is beneficial to both. But in the case where there is a large number of actors A, B, C, D, . . . the conditions for joint exchange remain unique, i.e., all agree that the proposed action (exchange) is beneficial.

Only under the most extreme condition of consensus does action spring spontaneously from the actors' individual goals. Under any other condition, there is no spontaneous action, for at least one actor prefers a different course of action. (Coleman, 1966, p. 616)

Thus, one may interpret Coleman's position to mean that in the case of individual actors, each will spontaneously carry out the action with the highest utility. Where the outcome of
an act is, however, determined by two or more actors, then although there may be some actions where it is possible that all may agree, the large majority of actions will not be preferred by all, and the individual theory breaks down. Coleman (1966, p. 618) sees the problem as one of "linking together individual preferences and collective action in social organization." Coleman views exchange as dyadic in nature, but inclusive, as his prime concern is with individuals, not in isolation, but in relation with, (several) others. Out of this dyadic relation arises the concept of power differentials (p. 621) between the various individuals. Power is here defined as "the ability to obtain the outcomes . . . in a system of collective decisions . . . that will give him the highest utility" (p. 621). In the collective decision situation an individual becomes powerful vis-a-vis the collectivity when he controls actions and/or resources which are valuable (i.e., of interest) to others as well as himself. Coleman (1964, p. 622) postulates that collective action (its content and direction) will be determined by a "simultaneous calibration of the value of different actions and the power of different actors'. It is argued here that the "simultaneous calibration" referred to is characterized by individual comparison of social actors against one another in a dyadic fashion, the actual relationship between the individuals being one of exchange. Hence, Coleman's concept of social exchange may be considered as individualistic.
Emerson's (1972) theory of social exchange is much more similar to Homans' than any of the other above mentioned theories in that Emerson's version of social exchange theory is based on the dyadic interaction paradigm as regulated by the principles of operant psychology. Indeed, as Ekeh (1974, p. 166) points out, "Emerson seems to out-Homans Homans in his faith in the ability of operant psychology to perform the function of the fountainhead of all behavioral sciences." In his (1972) work, Emerson goes directly to Skinner's operant behavioural psychology for his concepts in the derivation of an ungrounded, logico-deductive series of propositions a la Homans which describe social exchange and leaves the rational economic aspect of Homans' theory completely untouched. The interest in Emerson here results from his well articulated approach to social exchange developed from what he himself calls "this skimpy basis" (Emerson, 1972, p. 45). It is suggested that his base is indeed skimpy, although the resulting formulation is far from simple, in that Emerson does "not presume to know the needs and motives of men" (1972, p. 45). He argues that knowledge of such needs adds nothing to his theory of exchange, excepting that their satisfaction acts existentially as a reinforcer upon individuals. Thus Emerson has chosen operant psychology because "operant behavior is behavior within a form of exchange process, otherwise called feedback or reinforcement" (1972, p. 42). He further excludes the cognitive concept of expectation from his formulation: hence, one may rule out any notion
of rational, i.e., economic, motive as a possible origin of exchange in this theory. In Emerson's Definition 1, an exchange relation is defined as "consisting of a series of temporarily interspersed opportunities, initiations, and transactions", in which the first "evokes" or is accompanied by the second, which, in turn, "evokes" the third. An opportunity is a stimulus situation which contains appropriate discriminative stimuli for evoking an initiation. An initiation is an operant response and a transaction is a positively reinforced initiation (Emerson, 1972, p. 45). Emerson concludes his (1972) exposition by noting that operant principles are "nothing more than the study of contingencies relating an organism, to its environment" (p. 87). One aspect of the "environment" consists in the presence of another individual in a dyadic relation.

The final example of a concept of social exchange which may be described as individualistic that of Foa (1971). His "theory" of social exchange does not fit easily into the classification of individualistic vs. collectivistic because Foa's formulation is concerned with the nature of rewards, or "resources". Foa appears to conceive of social exchange as being a mutually rewarding process (p. 346). However, he posits that there are several forms of exchange due to differences in the type of reward or "resource" being exchanged. Foa (1971, p. 347) identifies six types: love, status, information, money, goods, and services. An illustration of Foa's position is
It matters a great deal from whom we receive love since its reinforcing effectiveness is closely tied to the stimulus person. Money, on the other hand, is the least particularistic resource, since, of all resources, it is most likely to retain the same value regardless of the relation between, or characteristics of, the reinforcing agent and recipient. Services and status are less particularistic than goods or information.

Foa, it is suggested, falls into the individualist school as his exposition nowhere implies interaction outside of that provided by the dyad of stimulus (person A) - response (person B).

To summarize briefly the discussion thus far, it has been the object of the argument to classify certain theories of social exchange as individualistic, as opposed to collectivistic, using stated criteria. Hence, for the purposes of this thesis, a social exchange theory would be classed as individualistic if it was characterized by

1. dyadic social interaction
2. mutual reciprocity
3. the absence of reference to any supra-individual social entity.

In the case of each of the theories examined thus far, it has been argued that these criteria indeed characterize them, and thus they may be labelled individualistic social exchange theories.
Theoretical Origins of Social Exchange in Individualistic Theory

The second task of this chapter is to demonstrate that, given the dyadic nature of individualistically conceived social exchange, the origins of such exchange must and do lie in:

(a) individual psychological needs
(b) rational economic motives.

Homans stands out among other social exchange theorists in attempting to combine both behavioural psychology and elementary economics in formulating a theory of social exchange. In this, then, he concomitantly employs both utilitarian and hedonistic motives as the originators of social exchange itself. The psychological meaning of hedonism, in general, is the seeking of pleasure and the avoidance of pain. It is, then, entirely physical in nature, without explicit consideration of space and time constraints. Utilitarianism, in economics, refers to an individual rationally calculating his course of action in terms of gains and loss, with the aim of maximizing the difference between the two. Thus, hedonism represents the process of enjoying oneself here and now, while utilitarianism represents the profiting from social interaction, perhaps immediately, but also over time. Homans' usage of these two concepts as explanatory is illustrated in the following:

Briefly, behavioral psychology and elementary economics envisage human behavior as a function of its payoff: in amount and kind it depends on the amount and kind of
reward and punishment it fetches . . . .
Thus the general set of propositions I
shall use envisages social behavior as
an exchange of activity, tangible or
intangible, and more or less rewarding
or costly between two persons. (Homans,
1961, p. 13)

Homans (1961, pp. 12-13) states that the propositions
of behavioral psychology and elementary economics can be
"stretched" and in so doing mesh together to "form a single
set". Unfortunately, he does not explicitly concern himself
with proving that this is so, and less ambitiously proposes
to "suggest what the single set might be". (1961, p. 13)

Homans' attempt to "stretch" over the admittedly (by
Homans, 1961, p. 12) large gap between hedonism and utili-
tarianism as originators of social exchange is necessitated
by the fact that neither behavioural psychological proposi-
tions nor those of elementary economics alone are sufficient
to explain social exchange in human beings. The propositions
of behavioural psychology are based on the study of behaviour
in animals in very constrained environments, whereas economics
studies symbolic behaviour in man. As Ekeh (1974) pointed
out, meshing these two sets of propositions is not a simple
matter. Ekeh (1974, p. 107) suggests that what is innately
human is "non-natural" and that this subset of human activity
is in the realm of symbolic behaviour. A close reading of
Homans indicates that one should agree with Ekeh's (1974,
p. 113) statement that Homans, in combining the two sets of
propositions, is arguing that it is possible to upgrade the
nonsymbolic to the symbolic, to generalize from conditioned behaviour in animals to symbolic behaviour in humans.

Following Homans' view of social exchange then "as an exchange of activity . . . more or less rewarding or costly" (1961, p. 13), it is suggested that he employs a combination of two independent sets of motives: (1) Sensual or somatic stimuli which are immediately gratifying or punishing, and (2) symbolic behaviour in which present conditions may be considered rationally against previous or anticipated conditions. Homans, as has been noted, does not consider this distinction to be damaging to his theory. Rather, he proposes that the two sets of propositions, interacting with one another in a "single meshed set," are in fact compatible, and by their combination, do explain social exchange behaviour.

If it is granted that conditioned behaviour, as it is observed in animals, is descriptive of a great deal of human activity and at the same time symbolic (e.g., economic) behaviour is assumed to be uniquely human (and not generalizable from animal behaviour), then Homans' attempt at meshing the two sets of propositions is quite understandable. In order to cover the range of human activity, Homans, to his great credit, has recognized that both psychological needs and economic motives must be posited, rather than either alone. Whether, in fact, the combination of the two sets of propositions into one is compatible seems still an open question. Both Deutsch and Krauss (1965) and Ekeh (1974) believe that the compatibility
Homans assumes has not been demonstrated. The point at issue here is not whether Homans has adequately demonstrated a plausible linkage between conditional and symbolically characterized behaviour, but is that Homans posits both hedonistically defined psychological need and symbolically represented economic motive as originators of social exchange activity.

It was noted earlier that Blau has enjoyed the reputation of being a compromiser between the individualistic and collectivistic orientations in social exchange theory. If this is indeed so, then does he rely on psychological needs and the postulates of elementary economics to provide the theoretical origins of social exchange? The answer to this is not clear cut because at first glance Blau seems to employ psychological roots of behaviour in his assumptions of the origins of exchange.

The basic social processes that govern associations among men have their roots in primitive psychological processes, such as those underlying the feelings of attraction between individuals and their desires for various kinds of rewards. These psychological tendencies are primitive only in respect to our subject matter, that is, they are taken as given without further enquiry into the motivating forces that produce them, for our concern is with the social forces that emanate from them. (Blau, 1964, p. 19)

An individual is attracted to another if he expects associating with him to be in some way rewarding for himself, and his interest in the expected reward draws him to the other. The psychological needs and dispositions of individuals determine which rewards are particularly salient for them and thus to whom they will be attracted. (Blau, 1964, p. 20)
Mutual attraction prompts people to establish an association, and the rewards they provide each other in the course of their social interaction, unless their expectations are disappointed, maintain their mutual attraction and the continuing association. Processes of social attraction, therefore, lead to processes of social exchange. (Blau, 1964, p. 21)

These sections are crucial to understanding Blau's position on the origins of exchange for several reasons. He does indeed seem to be referring to psychological needs as originating factors. However, two things happen to them in Blau's treatment. First, needs are labelled as psychological in terms of their derivation. However, in discussing these psychological needs Blau tends to treat them less as causal factors in originating exchange, than as the ground in which rational economic motive is based. This is apparent from the concentration on the notion of expectation which Blau exhibits. Put slightly differently, the impetus for interaction seems to be in the calculated gain any social actor expects to obtain from a given social exchange act rather than the striving for the satisfaction of a given psychological need. Second, in the passage from page 20, Blau posits that needs are salient only in the determination of relevant reward, while emphasizing the processes of calculation and expectation as the real causes of exchange behaviour. A more accurate description of Blau's conception would be to say that psychological needs and dispositions provide the context of "resources" from which individuals selectively calculate the various expected reward/
cost benefits of engaging in social interaction.

Social attraction is the force that induces human beings to establish social associations on their own initiative and to expand the scope of their associations once they have been formed . . . . An individual is attracted to another if he expects associating with him to be in some way rewarding for himself, and his interest in the expected social rewards draws him to the other. (Blau, 1964, p. 20)

It must be noted that there has been a transformation here, in which social attraction, which was earlier treated as a primitive psychological tendency, is spoken of now in terms of rewards, and expected ones at that. It is the expected nature of the rewards which differentiates Blau's approach from those utilizing hedonistically defined rewards. For if we say that expected, rather than immediate and sensual, rewards are crucial to the origin of social exchange then we are at once speaking of a theoretical scheme where rewards are treated as the subject of the rational calculation of gain. From this position one has then begun to describe very closely what is generally referred to as economic motive. It is not being argued that "primary" rewards are not subject to such calculation: rather, in Blau's view, rewards of any description merely provide the basis for calculation and expectation, with that expectation of reward actually providing the causal impetus for social exchange behaviour. Psychological needs enter into the formulation because they determine the nature and value of that which is rewarding for the individuals themselves. Finally, it is noted that Blau considers rational economic
origins important enough to exclude any other from consideration in the context of his theory of social exchange.

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

The basic principle underlying marginal analysis, and exchange generally, is that of eventually diminishing marginal utility. (Blau, 1964, p. 169)

Two conditions must be met for behavior to lead to social exchange. It must be oriented towards ends that can only be achieved through interaction with other persons, and it must seek to adapt means to further the achievement of these ends . . . the reciprocal exchange of extrinsic benefits. (Blau, 1964, pp. 4-5)

. . . many aspects of social life do reflect an interest in profiting from social interaction, and these are the focus of the theory of social exchange. (Blau, 1968, p. 452)

On the basis of these references, it is argued here that in Blau's theory of social exchange the calculated expectation of gain, i.e., rational economic motive, may be considered as the theoretical origin of social exchange.

Turning to Thibaut and Kelley (1959), it was demonstrated earlier that they view social exchange as taking place in a restricted, dyadic format. According to previous reasoning it may be asked whether the origins of social exchange in their theory lie in psychological needs or in economic motives. It is suggested that Thibaut and Kelley's theory relies on economic motive alone for its origins. This is so because "attraction" between two individuals, which Thibaut and Kelley state
is required both to initiate and sustain an exchange, is determined by two types of interpersonal comparison: the CL comparison and the CLalt comparison. That the various comparisons are made in terms of rewards which are treated as symbolic and not somatic can be inferred from the matrix mechanism which characterizes Thibaut and Kelley's social exchange:

The cells of the matrix represent all possible events that may occur in the interaction between A and B. (p. 13)

The reward/cost values in the matrix represent the outcomes each person would experience for each of the manifold interaction possibilities . . . . The actual course of the interaction cannot be predicted solely from a knowledge of this matrix. (p. 19)

To summarize the main points . . . the formation of a relationship depends largely on the

(1) the matrix of the possible outcomes of interaction

(2) the process of exploring or sampling the possibilities; and ultimately

(3) whether or not the jointly experienced outcomes are above each member's CLalt. (pp. 22-23) (from Thibaut and Kelley, 1959)

These passages would seem to lend support to the notion that expected gain is the motive behind social exchange activity. The focus is on events which may occur in the future, out of which event population an exchange participant chooses the one which is both more valuable to him and more
likely to occur given his subjective probability estimate. It would appear that it is these factors which cause an individual to explore the matrix of outcomes, rather than any causative property of the matrix itself. Put slightly differently, an individual decides whether or not to undertake a given act of social exchange based on his calculation of expected benefit, both in terms of value and likelihood, which is a very adequate definition of economic motive.

Coleman (1966) proceeded to define a theory of collective decisions based on the exchange paradigm, and in so doing utilized a demonstrably dyadic framework in which that exchange occurred. His concern was much more with the results of interaction of (large) numbers of individuals involving themselves in a decision process, rather than on the origins of the involvement or interaction itself. It is suggested that Coleman assumes that is is a posited "purposive action principle" (Coleman, 1966, p. 615) which originates exchange interaction, i.e., the rational calculation of utility, with actions being chosen which maximize said utility. Hence, it is further suggested that Coleman's theory is eminently individualistic and relies on utilitarian economic motivation to explain the origin of social exchange.

Emerson (1972) outlined an exchange theory based on the dyadic interaction paradigm as regulated by the principles of operant psychology. It was pointed out earlier that Emerson relied totally on the principles of operant psychology in
constructing his social exchange theory in that he did not "presume to know the needs and motives of men" (Emerson, 1972, p. 45). One then can argue, as is argued here, that Emerson may have distanced himself in the formal presentation of his theory from any concern with psychological needs. However, it is further argued that, due to his unalloyed adoption of operant principles, it seems clear that the same origins that have been noted in Homans' theory may also be posited to be operative in Emerson's, leaving aside Homans' notions of economic rationality.

It is not held here that operant conditioning theory focuses on needs for that would be attributing to it a characteristic which is explicitly denied by most operant theorists. However, if specific need is something which need not be explicitly defined in operant conditioning theory, the underlying assumption of a need-behaviour linkage is still required; otherwise behaviour available for operant conditioning would not occur. Many needs may be imputed to any given act, and operant conditioning in effect defines a focal need by the nature of the provided reward. It is precisely because operant behaviour is behaviour in an exchange form, that Emerson can, as he sees it, disregard the assumptions of content in exchange behaviour, those assumptions being the underlying complex of psychological needs posited by behavioural psychology. Hence, the position of this paper is that Emerson's (1972) social
exchange theory posits psychological needs and rewards as originating factors.

The previous discussion of Foa's (1971) social exchange framework pointed up the fact that Foa regarded social interaction as a mutually rewarding process. Further, Foa held that the type of reward was most salient for understanding the nature and dynamic process of exchange relations. His taxonomy of six types of rewards (Foa, 1971, p. 347) i.e., love, status, information, money, goods, and services, are for the most part socially mediated rewards: it is the attraction response of any given individual to any one of these rewards when presented by a second person which Foa posits as the origin of exchange relations. It is not clear that Foa distinguishes in any meaningful way between somatically related and symbolic reward, and indeed it is argued here that Foa regards such a distinction as inconsequential. Foa believes that the source of the reward and the resultant interaction of the source and the reward itself are the critical factors in the instigation and maintenance of exchange. But, it is strongly suggested here that Foa ultimately rests his notion of the origin of exchange on the attractive power of reward per se, irrespective of its type or source.

**Summary**

This chapter has made two general arguments, using as data the propositions, statements and arguments of individualist
social exchange theorists.

(1) Individualist social exchange theory utilizes the restricted exchange paradigm alone, using interaction in dyads as the model of exchange relations.

(2) Given the dyadic model of interaction, origins of interaction in individualistic social exchange theory must be, and in fact are, framed in terms of
   (a) individual psychological needs
   (b) rational economic motives.

In concluding these two arguments, it is argued that, given the examination of the works of Homans, Blau, Thibaut and Kelley, Coleman, Emerson, and Foa, their theories do indeed utilize the dyadic model of interaction and may be classed as individualistic. As regards the theoretical origins of social interaction within the dyadic model of exchange, there is a dichotomy of origins utilized, as represented by the following chart.

<table>
<thead>
<tr>
<th>Psychological Need/Reward</th>
<th>Rational Economic Motive</th>
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<tbody>
<tr>
<td>Homans (1961, 1974)</td>
<td>Blau (1964)</td>
</tr>
<tr>
<td>Emerson (1972)</td>
<td>Thibaut and Kelley (1959)</td>
</tr>
</tbody>
</table>

The above dichotomy of originating mechanisms is clearly supported by data from the works of the theorists themselves, and it is believed that the results of the literature review
show that, fortunately, no theory examined presented an insurmountable classification problem.
In Chapter II, the origins of social exchange as conceived by the individualist theorists were examined. The conclusions following this examination were:

1. The individualists employ the dyadic format of interpersonal interaction.

2. Out of this concentration on dyadic interaction, the necessity of origins of social exchange developed solely from a consideration of the individual, i.e., his psychological needs and/or his hope of gain, was demonstrated.

In this chapter it will be shown that the collectivistic theorists have put forward a concept of generalized exchange and reciprocity which is capable of subsuming, without altering the formulations of, individualistic, restricted exchange. This capacity is important in that it permits the possibility of combining otherwise disparate elements into a simplified paradigm explaining the origins of social exchange.

In addition, it follows that collectivistic origins of social exchange may lie outside those postulated by individualism. That is, origins under a generalized exchange paradigm
may be stated in terms of something other than what may be discovered within the relations between two individuals at a point in time. Relevant to this discovery is the work of Levi-Strauss (1969), Mauss (1954), and Malinowski (1922, 1926) concerning social exchange and especially the origins of social exchange. Also examined is the important work of Gouldner (1959, 1960) on the norm of reciprocity.

Levi-Strauss (1969), in the polemical tradition which has historically characterized the development of social exchange theory, has stated that it was his unhappiness with dyadic, restricted formulations of social exchange which led to his development of generalized exchange.

A formal study of the notion of exchange, such as sociologists have so far employed, has shown us that it did not succeed in embracing the facts in their integrity. Rather than deciding to lend a sterile discontinuity to phenomena which are, after all, of the same type, we have preferred to seek a wider and modified conception of exchange in an attempt to arrive at a systematic typology and an exhaustive explanation. [A reinterpretation of anthropological data] taken from the classic region of restricted exchange . . . imposed upon us, as it were, the notion of generalized exchange. (Levi-Strauss, 1969, p. 220)

Malinowski, writing earlier (1922), also developed a notion of circular or generalized exchange. His work is remarkable especially in that he developed from grounded data an explanation of exchange behaviour in which generalized and restricted exchange operated simultaneously.
In Malinowski's formulation, while restricted exchange emphasizes the psychological needs of the individual exchange actors, generalized exchange strengthens the bonds of solidarity in society. This interpretation enables Malinowski to work out an isomorphism between individual psychological needs and the social needs of the wider society. (Ekeh, 1974, p. 209)

The terms of the "something other" in which collectivistic origins of exchange must be articulated are far less amenable to explication than the relatively clear, straightforward origins postulated for restricted exchange. It is believed that a great deal of the cause of this unfortunate situation lies in the differences in the way both orientations form their strategy of interpretation.

On the one hand, utilitarianism, the body of theoretical knowledge that places individual desires and needs at the center of its analysis, and which has long been the dominant paradigm in Anglo-Saxon countries, has tended to form the social sciences in the image of the physical sciences, i.e., rational, mechanical and analytical. Thus, it is believed that

all social phenomena are reducible to laws, and all the laws of the social world are in their turn explicable by the 'laws of human nature.' But the laws of human nature are themselves of two kinds: physical laws, the definition of which the economist and the jurist borrow from the physician, the geologist, and the biologist; and psychological laws. (Halevy, 1928, p. 433)

The logico-deductive strategy of theory construction has its roots in the utilitarian tradition and has been characteristic-
their own strategy. The logico-deductive strategy prescribes that social theories may be constructed in the abstract from which human behaviour may then be deduced. It is this logical deducibility that leads to the notion of reductionism, which prescribes that the understanding of the larger social whole may, in principle, be derived from the understanding of its constituent parts. Specifically, the reductionist strategy argues that the differences between psychological analysis and sociological analysis are quantitative, not qualitative; they are linked by a chain of deductive reasoning (Ekeh, 1974, p. 15).

On the other hand, the collectivist orientation does not accept the primacy of individual self-interest as the central issue in social theory. Rather, it is held by the collectivists that social processes (such as social exchange) gain relevance according to the degree to which those processes contribute to the existence of society or specific groups as wholes. The collectivistic strategy of theory construction is based on the notion of "the autonomy of society and the irreducibility of social processes to psychological ones" (Ekeh, 1974, p. 15). Glaser and Strauss (1966, pp. 1-11) point out that this sociological tradition proceeds to develop theories grounded in the data of some sociological problem. Interpretation of such data then yields an inductive understanding or ordering of the situation which may (or may not) yield deductively derived hypotheses. Glaser and Strauss point to the theories of Durkheim and Weber as prime examples of such grounded theories:
Blau's theory of social exchange is cited as a major example of an ungrounded logico-deductive theory. In the collectivistic view, sociological concepts (such as social exchange) are those which either define or contribute to the definition of society as an entity sui generis, i.e., without and apart from the individuals who constitute its population. Society is then in the nature of a theoretical construct. There is some dispute between the collectivist theorists as to whether this construct is consciously apprehended by individuals or remains a manifestation of the unconscious. In any case we may be clear on one thing: the theorist who describes such sociological constructs is certainly aware of them and it is in the reasons, logical and empirical, that he posits for their origination and operation that the origins of social exchange, collectivistically viewed, must be found.

The position taken here is that, unlike those of the individualistic social exchange theories, collectivistic social exchanges occur in a process informed by norms and rules which are external (i.e., reified) to the individuals involved. The rules (or norms) of behaviour governing social exchange activity are the fabric of what was recently referred to here as society sui generis, i.e., social reality as a fact or thing external to the individual. It is of course paradoxical to refer to something which is a mental construct as being "external". And at this level, the paradox rests unresolved. Only when the notion of symbolic behaviour, that which is uniquely human and
cultural, rather than natural or biologically determined is introduced, may the seeming paradox clarify itself. Symbolic behaviour is behaviour which is conscious of itself, is capable of having (and has) meaning attached to it, while at the same time being rooted biologically. Externality in the sense referred to here, and throughout this thesis, derives from the capacity for the conscious apprehension of social action (i.e., the attachment of meaning to it) on the part of the social actors themselves. That is, the social act takes on a life of its own, is seen as being capable of acting back upon its originators. In short, patterns of action have the capacity to become reified.

An understanding of the dialectic between man as a biological organism and man as a creation of and by social interaction is crucial. Organismic existence is biologically determined, subject to natural laws and may be understood in its terms. Human "be-ing" is produced by men together in interaction, and this "be-ing" is not entirely determined by natural law: rather this state of human "be-ing" is determined socio-culturally, with natural laws constituting the outer boundaries of human activity (Berger and Luckmann, 1966, pp. 50-53). It is "be-ing" resulting from the social action of men together which is at once "internal" to the individual (i.e., a cognitive construct) and "external" to him (i.e., the cognitive construct has meaning ascribed to it by the individual which defines its ontological status as separate and apart from the individual).
It has been stated that the context in which origins of social exchange are collectivistically interpreted has two basic parameters. First, the context must theoretically include "something other" than that implied in a dyadic, purely individualist context. It has been further suggested that social reality, sui generis, a fact which may be considered "external" to the individuals involved in a social exchange, is one such parameter. Second, this social reality, which takes the form of rules which inform all social exchanges, derives from that which is uniquely human, i.e., a capacity to symbolize and externalize behaviour. It may then be posited that the laws governing social exchanges as defined by the collectivists, are in the nature of theoretical constructs, which as has already been noted, may or may not be consciously apprehended by the individual exchange actors.

It remains now to demonstrate two things: first, the nature of this social reality and second, the way in which origins of social exchange may be understood using this postulated social reality. Berger and Luckmann (1966) in their discussion of the emergence of social order state that "one must undertake an analysis, that eventuates in a theory of institutionalization." We will not discuss their whole theory here, but wish to draw from it some points relevant to an understanding of an external social reality. Berger and Luckmann (1966, pp. 53-58) make the point that the fact that human activity is subject to habitualization has at least two consequences. First, choices
which once covered the entire range of activity become narrowed, and hence free the individual to some extent both from time constraints and the psychological tension of decision making. Second, individuals obtain the important advantage that each individual will be able to predict the other's activity to a greater or lesser degree. Therefore, the interaction between individuals becomes more predictable. Berger and Luckmann (1966, p. 54) further state that

. . . habituation of human activity is coextensive with the latter's institutionalization . . . . Institutionalization occurs when ever there is a reciprocal typification of habitualized actions by types of actors. Put differently, any such typification is an institution. The typifications of habitualized actions that constitute institutions are always shared ones. They are available to all the members of the particular social group in question, and the institution itself typifies individual actors as well as individual actions. The institution posits that actions of Type X will be performed by actors of Type X.

This view of institutionalization represents the basis for positing the externalization, or analogously, the symbolic objectivation (Berger and Luckmann, 1966, p. 20) of human activity. In the view of Berger and Luckmann (1966, p. 55), in actual experience institutions are manifest in groups of considerable size. However, they also recognize that it "is theoretically important . . . to emphasize that the institutionalizing process of reciprocal typification would occur

1Typification refers to the process of recognizing habitually
even if only two individuals began to interact." Thus any two prototypical individuals begin to structure their individual and joint lives in terms of a growing number of habitualized routines. This habitualization allows for, among other things, division of labour between them, and the emergence of innovation. Phenomena previously novel and demanding of time and resources in their understanding, become routinized, and capable therefore of habitualization and typification. The resulting reduction in demand for both time and undifferentiated resource in turn allows for division of labour and innovation. Further, Berger and Luckmann (1966, p. 57) state "each action of one is no longer a source of astonishment and potential danger to the other." This point is of significance to Levi-Strauss' formulation of the origins of exchange in which he views initial interactions as threat-producing and social order (or predictability) as threat-reducing (Levi-Strauss, 1969, p. 59).

The distinction between institutionalization (and interaction) between two individuals and that in groups of more than two has crucial implications, however. The reciprocal typification (which constitutes institutionalization) cannot occur except in a continuing social situation in which the habitualized actions of two or more individuals interlock. Where the performed acts as represented by "types of actors". The recognition by actors in interaction with one another is referred to as reciprocal.
institutions are created by only two individuals (dyadic interaction), their objectivation of reality remains somewhat tenuous, easily changeable. This is because the routines of the two individuals' activities are accessible to deliberate intervention by those individuals. They are fully aware of the nature of the routines which they themselves have, so to speak, constructed by hand. It may be noted here that this notion of accessibility has some support from small group research concerning the nature of dyadic interaction (e.g., Bales and Borgatta, 1965, pp. 501-502). However, where the institutions are passed to other(s), as in the case of one generation to another, a third person (or more) is added to the interaction process. This addition then implies two things: the institutions become historical in nature, and the quality of their objectivity or externality becomes more evident. Moreover, this latter point is empirical in the sense that as more individuals partake of the institutions, these institutions become more objective in the minds of the individuals. The routinized and institutionalized world becomes "thickened" or "hardened" in individual consciousness as it becomes evident that the institutions cannot be so readily changed (Berger and Luckmann, 1966, p. 197).

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2Objectivation of reality refers to the externalization and reification of modes of human activity: these modes expressing to both their producer, and any other, subjective intent. The term is derived from the Hegelian/ Marxian "Versachlichung" (Berger and Luckman, 1966, p. 197).
It is at this point only that one may really begin to speak of an "external" social reality or objectivated world at all. For the individual experiences this institutional world as one which has a history antedating his own existence, and is not obviously accessible to his own intervention.

Thus institutions are there, external to him, persistent in their reality, whether he likes it or not . . . they resist his attempts to evade or change them . . . they have coercive power over him by the sheer force of their facticity, and through the control mechanisms usually attached to them. The objective reality of institutions is not diminished if the individual does not understand them . . . since they exist as external reality, the individual cannot understand them by introspection. He must go out and learn about them. (Berger and Luckman, 1966, p. 60)

It is important to keep in mind that the objectivity of the institutional world is a humanly produced, constructed objectivity. The objective world then does not acquire an ontological status apart from the human activity that produced it . . . . Man and his social world interact with each other: the producer and his product act upon one another in a dialectical way. (Berger and Luckmann, 1966, p. 61)

The dialectic is thus made up of the following: society is a human product; society is an objective reality; society produces social man.

Let us quickly summarize the discussion thus far. The need for "something other" than that contained in purely dyadic exchange in which to articulate the origins of generalized social exchange was proposed. It was stated that the parameters
of this "something other" must be two-fold: one, in the nature of rules which guide all exchanges and two, that these rules are human and cultural in derivation. What has been illustrated over the last few pages is the nature of this "other" which has been called social reality sui generis, borrowing from the sociology of knowledge of Berger and Luckmann (1966).

If the validity of the form of social reality as illustrated above is granted, one may proceed within this framework to describe the origins of social exchange in collective terms. For Levi-Strauss, Mauss, and Malinowski all express the necessity of granting the existence of such an external social reality and, in fact, develop their views of social exchange and reciprocity with this concept as a cornerstone.

Origins of social exchange as conceived by the collectivists are the functional consequences of social exchange interactions. Functional consequences are the results, either intended or unintended, of social activity relevant to the (non)survival and (non)adaptation of the social unit as a whole.

. . . [functional] consequences of any social activity [are those] which make for the adaptation and adjustment of a given structure or its component parts. (Coser and Rosenberg, 1969, p. 609)

. . . functions are those observed consequences which make for the adaptation and adjustment of a given system; and dysfunctions, those observed consequences which lessen the adaptation or adjustment of the system. (Merton, 1949, p. 50)
The functional consequences referred to by the collectivist theorists are those summed up in the phenomenon of social solidarity. Social exchange processes in this view are seen as intervening between the division of labour (and by implication, discrete individuals) and the social solidarity of the group or collectivity, to paraphrase Ekeh (1974, p. 75).

Put slightly differently, the collectivistic view posits that social exchange processes originate in order to integrate the differentiated activities of the collectivity. It would seem that at this point one must be very clear as to just which level of explanation one is operating in now. For there are two distinct levels of explanation on which to attack the intellectual problem, i.e., collectivistic origins of social exchange. The attempt may be made to form a model based on the individual's need for social solidarity, and/or the requirement for said solidarity by the collective social reality itself. Durkheim makes the observation that, to his mind, function without intent is not fully explanatory of the origin and existence of social phenomena.

... we must seek separately the efficient cause which produces [the social phenomenon] and the function it fulfills. (Durkheim, 1938, p. 95)

But Durkheim goes on to note that questions of subjective intent are not amenable to scientific observation and discourse.

We must determine whether there is a correspondence between the fact under consideration and the general needs of the social organism, and in what this correspondence
consists, without occupying ourselves with whether it has been intentional or not. (Durkheim, 1938, p. 95)

The explication of origins in this chapter follows the latter conception out of necessity as the collectivist theorists themselves consider the unique existence of a particular individual as unimportant or even irrelevant to their theories of social exchange. This is not to say that individual requirements for solidarity can be thus assumed away. The work of Malinowski (1922) indeed offers a conception of social exchange, and social needs are satisfied in generalized exchange. But the main approach taken here to the problem of collective origins of exchange is within the context of the collectivity itself. Thus, the "cause" or origin of social exchange is interpreted in the light of its functional significance for the society as a whole, both its structural configuration and its dynamic process. To be more specific, social exchange processes perform an integrative function simultaneously with the division of labour which performs a differentiating function. The collectivistic social exchange perspective sees exchange processes as promoting social solidarity or social cohesion. Thus, one functional difference between the types of social exchange, restricted and generalized, is the degree to which either achieves integration and solidarity in the collectivity.

If the existence of social reality sui generis can be taken as given, then following Berger and Luckmann (1966,
pp. 55-58), this social reality is subject to two dynamic forces, operating in dialectical fashion: differentiation (as represented by the division of labour) and integration (as represented by the simultaneity of individual social realities). These processes have been noted by other social scientists as well, most notably Durkheim. Durkheim (1933, p. 41) states:

. . . the division of labor, at the same time that it is a law, of nature, is also a moral rule of human conduct . . . it is not necessary to show the gravity of this practical problem, for whatever opinion one has about the division of labor, every one knows that it exists, and is more and more becoming one of the functional bases of social order.

And to illustrate the complementary integration process Durkheim (1933, p. 56) states:

We are thus led to consider the division of labour in a new light. In this instance . . . the moral effect that it produces, and its true function is to create in two or more persons a feeling of solidarity. In whatever manner the result is obtained, its aim is to cause coherence among friends.

The nature of the social reality in which all but solitary, isolated individuals are a part has been described. In this view, social solidarity is simply the degree to which individuals' social realities coincide with one another. If, at one extreme, none of the individuals' social realities in any way overlap, there exists no "society" in the logical sense at all. This non-overlap may be seen as analogous to Durkheimian anomie. If on the other hand the individual social
realities are identical, then a totally monolithic society would be the result. The monolithic nature of such a society is perhaps best described by Durkheim's notion of the "common conscience" in which

... the collective conscience [society living within us] completely envelops our whole conscience and coincides in all points with it. (Durkheim, 1933, p. 130)

Neither of these extremes are extant in reality, to our knowledge. But the extremes provide a continuum along which empirically measured solidarities of various collectivities may be placed. To add to the complexity, however, it must be noted that sociological theory has identified two types of social solidarity: mechanical and organic. Durkheim (1933, p. 130) says that mechanical solidarity

derives from a common conscience in society and is at its maximum when the collective conscience completely envelops our whole conscience and coincides at all points with it.

Organic solidarity, on the other hand, derives from the division of labour in the collectivity, flowing from the complementary relations between the different functions composing the entity that is society. A revised view of the two types of social solidarity which aids in the explanation is provided by Turner (1967, pp. 62-63).

Organic solidarity requires ... an effective substratum of mechanical solidarity. And the division of labor fails without a working mechanical solidarity [as] each participant in a division of labor must neglect some essential tasks in order to
accomplish his own. He can only do so when he has confidence that the neglected tasks will be performed by others. The most basic source of each confidence is the assurance that people share common sentiments. Second, the usefulness of specialized tasks is not obvious . . . the individual must depend on group consensus to validate his claim to be doing something useful. Third, the individual is unable to control the overall direction of group effort under divided labour. If the division of labor is to produce organic solidarity, there must first be confidence that the general direction in which the group product is moving is a desirable one.

It is important to point out that solidarity as a molar concept is being developed here which may then be broken down in a molecular fashion into organic and mechanical solidarity. It is held by the collectivists that social exchange processes, as a whole, relate social solidarity, as a whole, to particular types of social exchange processes resulting in different types and degrees of social solidarity.

Now, the nature of the external social reality which the collectivists posit as the arena in which social exchange occurs has been described in some detail. First, the need for "something other" in addition to that contained in purely dyadic exchange in which to articulate the origins of collectivistic social exchange was posited. Second, the definition of this "something other" was two-fold (a) in the nature of rules which inform all exchanges, (b) that these rules are uniquely human and cultural in derivation.

Also described was the nature of social solidarity (which is a primary parameter of external social reality) and the
dialectically opposed processes, differentiation and integration, of which social solidarity or cohesion is a synthesis. Finally, it was stated that the collectivist social exchange theorists find the origins of such exchange in the functional significance of exchange processes in creating social solidarity. This last point has not yet been adequately supported here and the final task in this chapter will be to illustrate how the collectivist theorists formulate the link between exchange and solidarity.

The key to this linkage lies in the form of reciprocity utilized in the collectivist view of generalized exchange. It is univocal, one-way reciprocity which underpins generalized exchange. This is of course opposed to the more current sociological usage of reciprocity, which, following Gouldner (1959, 1960) is a different type, i.e., mutual or two-way reciprocity. It is not being argued here that one or the other type of reciprocity is wholly responsible, through its concomitant exchange processes, for solidarity. What is being argued is that mutual reciprocity (through its concomitant: restricted, dyadic exchange) leads to one of two possible kinds of social solidarity. Conversely, univocal reciprocity leads, through generalized, multi-actor exchange, to quite a different kind of social solidarity.

Gouldner's (1959, 1960) concept of mutual reciprocity deals with relations between Ego and Alter.

Specifically, I suggest that a norm of reciprocity, in its universal form, makes
two interrelated, minimal demands: (1) people should help those who have helped them, and (2) people should not injure those who have helped them. (Gouldner, 1960, p. 171)

This conception of reciprocity emphasizes the mutual, individual nature of interaction and, in fact, is defined on this basis.

Reciprocity connotes that each party has rights and duties . . . there can be stable patterns of reciprocity qua exchange only in so far as each party has both rights and duties . . . mutual reciprocity may mean that a right (x) of Alter against Ego implies a duty (-y) of Alter to Ego or it may mean that a duty (-x) of Ego to Alter implies a right (y) of Ego against Alter. (Gouldner, 1960, p. 169)

The norm of mutual reciprocity thus operates in face-to-face interaction and it requires reciprocation only for what has actually been given or received. One implication of this concept of reciprocity is that social relations are based on the existential contact of individuals, and their evaluation of the rewards entailed in the context of the particular situation. The sureness of continued rewarding interaction is built up from ongoing interaction between the same two individuals. That is, trust between the actors emerges as a result of the interaction, rather than preceding the interaction and forming its basis. Blau (1964, p. 94) in his discussion of trust in the social exchange process, well illustrates the source of such trust in mutual reciprocal interaction:
Typically, however, exchange relations evolve in a slow process, starting with minor transactions in which little trust is required because little risk is involved. . . . By discharging their obligations for services rendered, if only to provide inducements for the supply of more assistance, individuals demonstrate their trustworthiness, and the gradual expansion of mutual service is accompanied by the parallel growth of mutual trust.

An intriguing footnote to this discussion is Blau's observation that:

Only social exchange tends to engender feelings of personal obligation, gratitude, and trust; purely economic exchange as such does not. (Blau, 1964, p. 94)

Parenthetically, it is interesting to note that Blau seems to differentiate between social exchange and economics, or purely extrinsic reward, exchange here while in his definition of social exchange (1964, p. 6) he defines social exchange as being contingent on the transfer of such rewards. Also, by this quotation, Blau is very nearly agreeing with the collectivists who state that social exchange processes may include, but are at the same time, a distinguishable class of processes defined in terms other than economic.

To return to the discussion of trust, then, as opposed to Levi-Strauss and the collectivist school, who view social exchange transactions taking place within a matrix of social trust which exists before individual exchange acts, Blau insists that each actor must be cautious, as trust is an attribute of each individual engaged in exchange. Blau posits, using the notion of mutual reciprocity, a trial and error
exchange process which implies that social exchange has to be direct, takes time enough to develop each specific context of exchange, and actors try each other out, starting from the beginning each time an interaction situation presents itself. Blau specifically excludes the notion of norms or generalized values providing a context in which exchange takes place. He states "group norms to regulate and limit the exchange transactions emerge, including the fundamental and ubiquitous norm of reciprocity" (Blau, 1964, p. 92.) In Blau's theory the norm emerges out of exchange transactions between members of dyads. It may be said, then, that dyadic exchange and its companion operating principle of mutual reciprocity leads to solidarity or cohesion, of a type which parallels Durkheim's (1933) mechanical solidarity--that is, a solidarity based on similarity between individuals and functions. Examined at the level of the individual, such solidarity must be maintained by continued contact between the given actors, or in lieu of that, interaction with an emergent norm which has developed from the exchange process itself. This type of solidarity, notes Durkheim (1933, p. 124) is based on a division of labour, where a common task is divided into tasks which are qualitatively similar, but mutually indispensable, which is a simple division of labor of the first degree.

But simple division of labor is only one of two possible types, and which leads to "structural differentiation" and "mechanical solidarity" (Durkheim, 1933, p. 130). Following
Berger and Luckmann's (1966) analysis, this type of solidarity is subject to intervention by the actors themselves and lacks objectivity or a sense of external social reality to any great extent. Clearly, in the absence of an objective reality external to the actors to refer to, comparisons resulting from any exchange will be interpersonal. Often, these comparisons will be visible, and the individual who gains less from an exchange will follow his self-interest and seek a new exchange partner. Therefore, instability or low solidarity is much more likely under mutual reciprocity.

General exchange and its comparison principle of univocal reciprocity, on the other hand, originates in the necessity to integrate functionally differentiated collectivities. Functional differentiation of social action occurs, according to Durkheim where a common task is divided into tasks which

... are of a different character [rather than qualitatively similar, which results in] a compound division of labor, specialization properly called. (1933, p. 124)

Durkheim is here addressing the specialization of functions, rather than the distribution of like tasks among members of a collectivity. His integrative mechanism of a "conscience collective" (1933, p. 130) is adequate for describing mechanical solidarity arising from structural differentiation, i.e., simple division of labour. This is because the similarity of tasks promotes ease of comparability between individuals engaged in those tasks, resulting in an existential lack of
conflict, a solidarity of sorts, but one in which the slightest change in interpersonal equality (comparability between tasks) may upset the cohesion. Where functional differentiation, or true specialization, has occurred there is no comparability between functions, because the tasks are qualitatively different. For social solidarity to exist in such a context, cohesion is achieved not by the objective similarity between functions (which are not similar in any case) but by the commitment of each actor to a common social reality. The means of this commitment are the social exchange processes themselves. This is precisely Levi-Strauss' position when he states (1969, p. 139)

> The exchange relationship comes before the things exchanged and is independent of them. If the goods considered in isolation are identical, they cease to be so when assigned their proper place in the structure of reciprocity . . . . It is the exchange which counts and not the things exchanged.

Following Berger and Luckmann (1966) once more, it would seem that the process of objectivating individual activity into predictable, externalized routines is the object of the social exchanges. For an individual to act on his own is his own affair, but to act in concert with another (or others) involves the recognition of difference and the effort of integration. Routinized action is the object of commitment (external social solidarity) while commitment efforts (social exchange processes) are the integrative force supporting the object. In generalized exchange univocal reciprocity is the principle upon
which action by individuals is directed. But for activity to be initiated in such an exchange, there must be trust, for the initiating actor will not necessarily receive back what he has given to the other individual from that individual. It is essential to note that under the rules of generalized exchange, this trust, i.e., the faith that the exchange will ultimately be reciprocated, is prior to the exchange itself. In Berger and Luckmann's terms, the relevant social realities of the individuals involved are in substantial agreement. But this trust, which is really a morality sui generis to the exchange transactions, is itself built up by the exchanges.

Generalized exchange establishes a system of operations conducted on credit. A gives [something] to B, who surrenders [something] to C, who in turn will surrender [something] to A. . . . there must be confidence that the cycle will close again . . . . The belief is the basis of trust, and confidence opens up credit . . . . the whole system exists only because the group adopting it is prepared, in the broadest meaning of the term, to speculate. (Levi-Strauss, 1969, p. 265)

So there is a circular system of causality at work in which the origins of generalized exchange are the trust, confidence and predictability associated with a solidary external social reality, while at the same time the exchange processes themselves are the very activities by which the external social reality (which provides such a stable context for exchange) comes to exist. To quote Berger and Luckmann (1966, p. 149)

the external social reality maintains itself by being embodied in routines, which is the essence of institutionalization . . . however,
the external social reality is ongoingly reaffirmed in the individual's interactions with others. Just as reality is originally internalized by social process, so it is maintained in consciousness by social processes.

Thus, in a quite different context, the sociology of knowledge, Berger and Luckmann converge on the same concept pursued by Levi-Strauss and the collectivists. That is that social exchange (processes) are both cause and effect in the functional understanding of social solidarity. It is believed that they provide further support for the assertion that origins of social exchange, collectivistically viewed, are to be found in the significance of those exchanges in creating social solidarity. But there may be a point at which to break into this circular chain of causality. Both Levi-Strauss (1969) and Berger and Luckmann (1966) make reference to this possibility.

First, Berger and Luckmann (1966, pp. 52-57) state

The inherent instability of the human organism makes it imperative that man himself provide a stable environment for his conduct... human being must ongoingly externalize itself in activity... these biological facts serve as a necessary presupposition for the production of social order.

To which Levi-Strauss would add that biology provides only one type of uncertainty in human conduct.

The prime role of culture is to ensure the group's existence as a group, and, consequently to replace chance by organization... this problem of [social] intervention is raised, and resolved in the affirmative, every time the group is faced with the insufficiency or the uncertain distribution of a valuable of fundamental importance. (Levi-Strauss, 1969, p. 32)
This is to say that instability and uncertainty may be socially as well as biologically derived. It is the concept of uncertainty and its resolution that one may use to drive a wedge into the circle of functional causality. In an anecdotal description of two strangers engaged in a simple dinner, Levi-Strauss illustrates the formation of a group for which, because of its temporary nature, no obvious formula for integration exists. For two individuals forced by circumstances to share a table for the purpose of dining, a social context is created, but neither individual has a clear procedure to follow vis-a-vis the other.

An almost imperceptible anxiety is likely to arise in the minds of these table companions . . . this is the fleeting, but difficult situation resolved by the exchanging of wine. It is an assertion of good grace that does away with mutual uncertainty. It substitutes social relationship for spatial juxtaposition. But . . . wine offered calls for wine returned . . . the relationship of indifferences can never be restored [in this situation] . . . further, acceptance of this offer sanctions another, for conversation. In this way a whole range of social ties are established . . . always beyond what had been given or accepted. (Levi-Strauss, 1969, p. 59)

This reduction of uncertainty then has its obverse, the creation of predictability of one's own actions in a given situation, and the predictability of the course of the interaction of individuals. But as was stated earlier, the collectivist explanation of origins is not couched in these micro-social terms. The above anecdote in Levi-Strauss (1969) was not
intended by him to provide such an explanation. Rather, it is believed that it gives his very sketchy view of the beginning of the "total social fact" of a social system. Marcel Mauss was the first sociologist to emphasize that social exchange qua social exchange occurred within, and indeed was a constituent part of "the total fact." No one transaction, in his view, could take place in isolation from the rest of society (Mauss, 1954, p. 71). It is Mauss' view that social exchange processes create a morality or generalized basis for regulating behaviour of the collectivity. Each social exchange transaction creates bonds which tie individuals to one another in a collectivity. Mauss further asserts that the generalized rules which emerge from the patterning of these bonds become externalized into a social reality which then acts back on its creators to inform and guide all social relationships.

In all . . . instances [of social exchange] there is a series of rights and duties about consuming and repaying existing side by side with rights and duties about giving and receiving. The pattern of symmetrical and reciprocal rights is not difficult to understand if we realize that it is first and foremost a pattern of spiritual bonds between things which are to some extent parts of persons, and persons and groups that behave in some measure as if they were things. (Mauss, 1954, p. 11)

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3 The "total social fact" is, to Mauss, the entire social system. It is highly analogous to the "system" in open systems theory, especially in regard to Mauss' view that no social act may be correctly interpreted in isolation from the system of social acts.
So, in Mauss' theory, social exchange acts take place within a matrix of social rules which exist before individual acts and each actor therefore assumes as given.

In the welter of points discussed in the preceding few pages, there have been several major concepts running through the argument. First, collectivistic origins of exchange are the functional consequences of social exchange, which are summed up under the heading of social solidarity. Second, dyadic exchange and generalized exchange lead to quite different types of social solidarity. Third, the link between exchange and social solidarity is to be made by examining the two types of reciprocity assumed to be operating in dyadic and generalized exchange, respectively. Fourth, mutual reciprocity allows for no social morality of trust preexisting social exchanges, while univocal reciprocity is completely dependent upon such a supporting matrix of trust or predictable relations. Fifth, mutual reciprocity and dyadic exchange lead to a tenuous and fragile social solidarity based on interpersonal comparison, while univocal reciprocity and generalized exchange lead to a more supple and stronger social solidarity based on intra-personal comparison with and commitment to a shared external social reality. Sixth, the collectivists propose that social exchange acts are, at one and the same time (a) building the matrix of social trust (routinized and predictable social relations) represented by social solidarity, and (b) "caused" by the functional requirement of any social system for solidarity.
It is the "total social fact" of a functioning social system which in a sense explains the social exchange processes. Predictability and trust being absolutely required for a social system to continue, in a very real way it is they that are the social system. It follows then that trust of individuals in given exchange transactions does not derive from the individuals themselves. Rather trust of individuals is promoted by the existence of a social reality, in which the individuals are implicated, by virtue of the predictable position each individual holds in it. And how else do these predictable positions come about except by the interaction of individuals in which their individual and mutual activities become habitualized and routinized? The interactions are the social exchange processes themselves.

It has been argued that these interactions occur in two general classes: restricted (dyadic) exchange and generalized (multi-actor) exchange. Each of these very different exchange processes results in differing social solidarities, and therefore, differing societies themselves. Restricted exchange, based as it is on dyadic interaction, tends to form a series of closed dyadic systems. The solidarity linking these closed systems, based as it has to be on similarity calculated through interpersonal comparisons, is purely "structural". It has no means of maintaining the group as a group, and it

would not take long to fragment the social group into a multitude of [dyads] which no pre-established harmony could prevent from proliferating or coming into conflict. (Levi-Strauss, 1969, p. 479)
Restricted exchange is literally that what it says it is: the restricted interaction of individuals in a social group, where predictability is sought through the perception and evaluation of similar characteristics of either the other individual himself or of those things which the other individual presents for negotiation. The interpersonal comparisons made in any given dyadic interaction are not easily transferable to other interactions, and so, quite aside from the fragility of the interpersonal comparisons themselves, there is no easy way to understand and compare one transaction with any other. Deutsch and Krauss (1965, pp. 114-115) recognized this problem of generalized comparability in their discussion of Homans' social exchange theory.

[restricted exchange] implies that there is a common currency or a single dimension to which the value of different experiences can be coordinated so that the value of a 'unit' of one such activity received can be compared with the value of another unit. If there is such a common currency of 'value', it has not yet been identified nor have methods of unitizing activity been worked out.

This limitation of the generalizability of restricted exchange has consequences for both the individual and the social system. First, as has been noted earlier, the individuals themselves struggle to maintain equality within the exchange transactions, and the resultant emotional loading makes the relationship subject to unpredictable dissolution. Second, on the systemic side, Levi-Strauss (1969, pp. 441-442) notes
There is thus a basic difference between [restricted and generalized] exchange in that the former is extremely productive as regards the number of systems which can be based upon it, but functionally is relatively sterile . . . . The repetition of the initial process of dichotomy, ending with dual organization, will be fruitless indefinitely. No further integration will occur, and the process [of dichotomy], if set in motion, will mark time indefinitely . . . without changing the social units involved or the type of connexion between them.

The collectivists state that rules of exchange precede any given exchange, and the individualists argue that exchange occurs without benefit of general rules, yet generalized exchange arises out of restricted exchange. Put another way, social actors sometimes speculate (or increase uncertainty) in order to reduce uncertainty. Levi-Strauss (1949, p. 440) is not sure whether the actual act of speculation required to initiate generalized exchange springs from luck or fate, or is the cumulative result of the interaction between "deep" internal structures of the mind and the environment.

Nonetheless, generalized exchange and univocal reciprocity reflects the position that natural distribution of assets should not be the basis of social practice. In any field vital to the group's survival, generalized rules (i.e., the morality in which generalized exchange occurs) affirm "the pre-eminence of the social over the natural, the collective over the individual, organization over the arbitrary" (Levi-Strauss, 1969, p. 45). The basis of the rules is the creation and preservation of the group itself, which is an assertion of the cultural
over the natural, orderliness over chaos. The belief in the group is speculation in the true sense, an act of will in the face of biological fact. Levi-Strauss emphasizes (1969, pp. 450-452) the riskiness of this venture, which to the individual is a long-term speculation continually verging on bankruptcy if the unanimity of collaborations and the collective observance of rules should ever come into default.

In [generalized exchange], the overall cycle of [univocal] reciprocity is coextensive with the group itself both in time and space, subsisting and developing with it. In [restricted exchange] the multiple [mutually reciprocal] cycles which are continually created fracture and distort the unity of the group . . . groups which have not hesitated to plunge into that great sociological venture, the system of generalized exchange, which is so richly promising of results but also so full of hazards, have remained obsessed by the [restricted exchange] formula, which offers none of the advantages but does not entail the same dangers.

If the group itself is an assertion of collective will over the chaos of natural occurrence, then so again is the generalized exchange act, based on univocal reciprocity. If the advantages of collective unity are manifest in the collectivity, then so are its risks, dissolution and a return to uncertainty. Here lies the multiple significances of both the generalized exchange and the principle of univocal reciprocity upon which it operates. The exchange itself, rather than that which is exchange, is of value in that it creates bonds between individuals within the group. To quote Levi-Strauss (1969, p. 480):
Exchange... has in itself a social value. It provides the means of binding men together, and of superimposing upon the natural links of kinship the henceforth artificial links of alliance governed by rule.

Further, the principle of univocal reciprocity, operating in the context of a trust morality sui generis, prescribes that individual A shall surrender something to another individual B, not expecting immediate return from that individual, but from the group itself, as will be represented by individual Z.

... it requires the deferment of exchange, so that the settlement is not to the same people as bore the burden of the sacrifice; in short, so that the exchange mechanism shall function in relation to the whole group and not just the individuals immediately interested. (Levi-Strauss, 1969, p. 448)

So, insofar as exchange itself is significant in asserting the reality of the group, under generalized exchange each transaction involves, rather than an isolated pair, all the members of the group. This is the result of the belief of the individual A, who has surrendered, for no immediate return, something to individual B, that he can expect a return or succor-ance of his specific need by a (possibly yet unknown) individual Z.

This concept of generalized rights and duties based on univocal reciprocity leads directly to such higher order conceptions as citizenship, in which rights and duties are realized in an indirect relationship between one person and another (Ekeh, 1974, p. 206). These generalized rights and
duties are the rules which make up the objective social reality that social exchange creates and maintains. It is the very process of exchange, giving here and now expression to the rules, which makes real that which is desired by the members of the collectivity. What is realized is the objectivated social reality of the social system itself, characterized by social solidarity derived from predictability of relations and the consciousness of being implicated in a social whole of which one is a part.

Generalized exchange, while relatively unproductive in the matter of system (since it can engender only one single pure system) is very fruitful as a regulating principle: The group remaining unchanged in extent and composition, generalized exchange allows the realization of a more supple and effective solidarity within this mechanically stable group. (Levi-Strauss, 1969, p. 441)

Summary

Several arguments have been made in this chapter: one, that origins of exchange, collectively interpreted, must arise out of "something other" than that inherent in the interaction between two individuals alone; second, that collectivistic origins are not mutually exclusive of individualistic origins; third, collectivistic origins of exchange are the functional consequences of exchange, i.e., social solidarity; fourth, that the restricted exchange and mutual reciprocity model leads to a fragile, relatively unintegrated solidarity, whereas the generalized exchange and univocal reciprocity model (a) explains
a wider variety of social phenomena, e.g., the integration of functionally differentiated groups, and (b) leads to a more supple, stronger social solidarity from which can be developed higher order concepts (such as citizenship) based on indirect rather than purely face-to-face relations.

It has been argued here that functional, collectivistic, origins of social exchange may be viewed as "external" to the individual himself, and that there is strong theoretical evidence supporting this position. Thus, one is not trying to overwhelm the position of those theorists described in Chapter II, in whose social exchange theories the origins of exchange derived solely from the individuals involved in interaction. Rather it is asserted in this chapter that an originating causal linkage between social solidarity and social exchange may be inferred from collectivist social theory. The concluding chapter will complete the argument of this thesis by proposing that the collectivist and individualist models of social exchange are not mutually exclusive, but describe theoretical elements which are in a dialectical relation with one another.
Chapter IV
CONCLUSIONS

Chapters II and III reviewed the theoretical origins of contemporary models of social exchange. Out of the analysis presented in those chapters have come four broadly stated conclusions:

(1) Two models of social exchange exist in the theoretical literature. They are:
(a) the dyadic, restricted exchange model based on mutual reciprocity, and
(b) the multi-actor, generalized exchange model based on univocal reciprocity.

(2) Origins of social exchange are dual in nature. The two classes of origins are:
(a) individual motivators: psychological needs and economic motives, and
(b) functional requirements of the group for integration and continued existence.

(3) The collectivistic social exchange theorists have formed a model of social exchange which is capable of subsuming the individualistic conception. This
conclusion turns on the fact that collectivist theory includes both the restricted exchange of the individualists and generalized exchange. The reverse is not the case; indeed, the individualists do not deal with the notion of generalized exchange, and, therefore, origins of social exchange arising from the functional requirements of the collectivity.

(4) It may be hypothesized out of the analysis that both the individualist and collectivist social exchange models are linked in one crucial way: in both approaches, one important consequence, and hence, functional origin, of exchange is the creation of social solidarity, which helps provide for the continued existence of both the social unit and the individuals which compose it.

Conclusions (1) and (2) have been fully developed in Chapters II and III. These conclusions are summaries of reviews detailing the origins of social exchange assumed by the various theoretical models. It was discovered that social exchange theory consists of two quite different conceptualizations. These were labelled, following Ekeh (1974), the "individualist" and "collectivist" concepts. The essence of the difference between the two, as developed in the two previous chapters, turns on the distinction between (a) restricted exchange operating on the principle of mutual reciprocity, and
(b) generalized exchange operating on the principle of univocal reciprocity. The positions of the various theorists were outlined in detail so as to be able to identify which concept of exchange they utilized in their respective theories. Further, the review of the theories of social exchange themselves reveals a duality in the theoretical origins of social exchange. Hence, conclusion (2) states that there are two distinct classes of theoretical origins: individual motivators (psychological needs and/or economic motives), and functional requirements of the social unit for its survival.

There are of course no logical or empirical reasons to assert that origins of social exchange must be either unitary or not. It seems that in the case of both the individualists and the collectivists, the use of either psychological needs and self-interest economic motive or functional social requirements as origins of social exchange is largely a matter of choice on the part of the theorists involved. It must be emphasized that currently, both individualist and collectivist approaches are still only models of complex human behaviour. As theoretical models, they function only as well as their assumptions allow them to in explaining social exchange behaviour. The purposes of this thesis were to isolate the assumptions regarding origins of social exchange used by social exchange theorists in general, then to analyse and categorize these assumptions, and finally to critically analyze the sets of assumptions to discern whether they are irreconcilable or
if an underlying unity exists between them. This critical
analysis has led to two further conclusions which are not of
a summary, review nature. Conclusion (3) is transitional in
that its elements, the collectivist and individualist models,
are available in the literature, but the validity of the
linkage between them is proposed here. Conclusion (4) details
a pattern of unity, formulated for the first time in this
thesis, between the theoretical origins of the two major models
of social exchange: restricted and generalized.

In conclusion (3) it is asserted that the collectivist
social exchange theorists have conceived the social exchange
process in such a way that the individualist model may be sub­
sumed, yielding a more parsimonious overall formulation. The
collectivists do not address themselves specifically to this
notion of inclusion. The inference of this link has arisen
from the present examination of both theories. Specifically,
the individualists base their model of social exchange on
dyadic restricted exchange operating through mutual reciprocity.
It was noted in Chapter II that Homans and Blau, especially,
view social exchange between individuals as the location of
elementary processes. The individualists as a body specific­
ally reject any notion of sociological processes as being
qualitatively different from psychological ones. In their
view, sociological processes may simply be aggregated from
more basic psychological processes.
The collectivists, on the other hand, include both restricted, dyadic exchange and generalized, multi-actor exchange in their model of social exchange. The collectivists recognize the existence of exchanges between individuals based on economic and/or psychological premises, and exchanges involving the individual within and among social constructed "external" realities (e.g., social institutions, rules, and norms). The collectivists do not admit, however, as pointed out in Chapter III, that the former type of exchange is social exchange, reserving that label for the latter.

It is argued here that the point at which collectivist social exchange theory subsumes individualistic exchange theory is in the origins of exchange. In a sense, to say that one theory subsumes the other with regard to origins is misleading. While collectivist theory does recognize the validity of both restricted and generalized exchange, it is exclusive in that it sees no relation between the two and in fact derogates economically and psychologically motivated exchange to an "inferior" status. It regards this "inferior" class as not being truly "social" exchange. However, it is held here that it is much closer to the truth to assert that the two types of exchange, their origins, and their consequences, are in dialectical relation with one another. This position avoids the continuing, and somewhat sterile dispute over which explanation has priority. Simply stated, it is asserted here that neither has such priority, but neither can one exist without
the other, either in a fully developed theory of social exchange, or in social interaction as it actually goes on. For (a) given the existence of social realities *sui generis*, then (b) social exchange processes originate in order to integrate those social realities, i.e., create social solidarity. By *social exchange processes* is meant either restricted or generalized exchange processes, each of which produce a different "set" of social realities for the individual, and, in turn, a different type and degree of social solidarity. While this assertion may seem to assume that which the individualists take as problematic or ignore, i.e., external social reality, it is emphasized that solidarity may refer to the solidarity between two individuals as well as the solidarity characterizing relations in larger groups. It is this link between exchange processes and solidarity which leads to the conclusion that the collectivist model is in dialectical relation with that of the individualists.

In conclusion (4) it is hypothesized that the individualistic model of restricted exchange and the collectivistic model of generalized exchange are not irreconcilable, at least in one major respect. As both are *models* of complex human behaviour it is felt that it is possible that, while their obvious parameters (e.g., interpersonal interaction vs. institutional interaction) differ greatly, a unifying concept may exist to integrate them.
As has been made abundantly clear in the discussions of the theoretical origins of individualistic and collectivistic social exchange, each of the schools tends to negate the origins posited by the other. In Chapter III it was pointed out that, to a great extent, this situation is due to the differing ways in which both schools form their theoretical strategies, i.e., psychological (interpersonal, dyadic) vs. sociological (macro-social unit, generalized). In the sense that the theoretical strategies differ qualitatively, then the two schools are speaking past one another with regard to origins.

Without proposing to provide an all-encompassing solution to this impasse, it is pointed out here that it may be possible to provide a theoretical link between the two exchange models. This link is the social construct of solidarity itself: more specifically, the roles which both restricted and generalized exchange play in the emergence and maintenance of social solidarity. It is at this point, for the purposes of this argument that social solidarity must be defined. Social solidarity is defined here as the result of the routinizing, regularizing, reduction of uncertainty as may exist between social actors in their cognitive and behavioural life. Solidarity may be seen as the constructed (by social actors) social reality which both informs and reassures the participants in a social system. The key notion on which this definition rests is the assumption
that social solidarity is a cognitive construct which is similar to that providing the basis of the structure of definitions of, for example, personality. To elaborate on this definition, then, one may say that social solidarity *qua construct* is the social equivalent of the individual's own ordering of the world: as such it has, for that individual, the seemingly separate ontological status of the individual's own personality. That is, it appears to exist outside of the being of the individual's now-existing self. In a word, it is reified, at least to some degree.

Using the above definition, it is argued here that while the collectivists specifically deal with the solidarity implicit in macro-social structures, the individualists, without using the term solidarity, also deal with the same concept, but in the context of dyads alone. The critical link in the posited theoretical connection is that *both* types of exchange are *social* exchange in the true sense in that both integrate members of a social group and thus result in the solidarity of that group. But the attendant caveat imposed by the nature of the arguments made in Chapters II and III must be recognized: restricted exchange and generalized exchange integrate social actions in different ways and thus lead to different types and degrees of social solidarity. How then do both contribute to social solidarity per se?
Weber (1947, p. 101) wrote:

... collectivities must be treated as solely the resultants and modes of organization of particular acts of individual persons. Since these alone can be treated as agents in a course of subjectively understandable action . . . the object of cognition is the subjective meaning-complex of action.

Weick (1976c, pp. 10-31) states:

... actors immersed in experiential streams organize and punctuate those streams by positing organizations and environments and Gods and traits . . . what a person does is what he eventually will know . . . organizing acts are acts of invention rather than acts of discovery, they involve a superimposed order rather than underlying order.

... communication occurs when some raw data input has been meaningfully related to some portion of the total psychological system . . . the meaning of any experience is constituted by the very process of its accommodation into the dynamic psychological system.

These quotations indicate the general thrust of an answer to this question. Both writers focus on the subjective nature of meaning attached to social acts. Further, the meaning of the act inheres in individuals, the act taking on meaning as the experience is accommodated into the individual's total psychological system, or, as Weber states it, his subjective meaning-complex of action. Berger and Luckmann (1966) provide a clear conceptualization of the process involved in the objectivation of the subjective meaning-complex, as has been noted in Chapters II and III. They point out that acts become
routinized, and these routines are subject to typification: which is to say, subject to the ascription of meaning to previously cognitively unordered activity. It is in the ascription of meaning which becomes unequivocal between social actors during the processes of social exchange which constitutes integration and results in social solidarity. Further, social exchange processes originate, in a functional sense, to manifest in action such subjective meanings between social actors. Put slightly differently, at the simplest level of analysis, individuals begin to make sense of or enact (Weick, 1976b, p. 17) their subjective social reality by and through social exchange acts they engage in. It should be noted that social exchange is not regarded here as some separate class of activity. Its definition for this paper is that social exchange constitutes all interaction between members of a social unit. From this position, restricted and generalized exchange may be seen as primary, albeit quite crude, distinctions made out of a (perhaps excessively broad) general case. Solidarity of some degree and type then will characterize the two cases created by the initial distinction.

The two types of exchange are qualitatively different and thus produce different types of integration and social solidarity among social actors.

It is argued that social solidarity results from the operation of two distinguishable classes of integrative processes, the processes themselves being acts of social exchange. A description of the two classes of integrative processes, discrete and unitary, is presented in Table I.
Table I

(1) **Discrete:** referring to actions
   i - which are already routinized and habitual
   ii - to which subjective meaning has been attached and substantially agreed upon by social actors
   iii - which are typified both by content and the type of social actor expected to perform them
   iv - in which the primary motivation of actors is the seeking of individual reward: such reward deriving value from mutually agreed upon subjective meanings of the reward
   v - in which comparison is interpersonal between known entities, either individuals, or objects of exchange
   vi - which are engaged in by actors who are, for the purpose of these particular actions, unconscious of the relation of those acts to any larger social entity
   vii - which reaffirm the solidarity represented by routinized patterns of social action
   viii - which are manifested in dyadic, restricted exchange

(2) **Unitary:** referring to actions
   i - which are sense making for the individual
   ii - which enact reality and represent the formation of subjective meaning complexes
   iii - in which comparison is intrapersonal as between the subjective meaning of an act and the subjective meaning complex representing the individual's social world
   iv - which are in the process of becoming typified through the removal of equivocality between the subjective meanings held by individuals with regard to the acts
   v - in which the primary motivation of actors is the ordering and mapping of the flow of events
   vi - in which consciousness of the relation between the act and a larger social whole is presupposed
   vii - which construct solidarity by routinizing event flows and attaching meaning to those enacted routines
   viii - which are manifested in generalized exchange.
The two types of solidarity resulting from discrete and unitary integration processes do not exist independently of one another. It is proposed that their relation to one another is a dialectical one, each influencing and being influenced by the other. The differing types of solidarity reflect the dialectical tension between social structure and process. Actions which occur in generalized exchange (unitary integration) provide the meaning-complex of action which represents social structure. Actions which occur in restricted exchange derive their meaning from their accommodation within established patterns of behaviour (i.e., highly typified, agreed upon meaning-complexes), these established patterns being the social structure. In essence, the generalized exchange act sets out to establish a pattern of behaviour and the actor is probably conscious of that act's significance as part of a pattern. The restricted exchange act is not a reflection of such an ordering intent, but rather is an act in accordance with a given structural pattern.

It should be remembered that actions, not people, constitute groups (Weick, 1969, Chap. 1), and that interacting meaning-action complexes are the fabric of social structure: hence it is proposed that generalized social exchange acts (which typify the sense-making of social life) provide social structure
and allow for the overreaching (unitary) social solidarity in which restricted exchange may continue to take place. Restricted exchange in its turn makes use of (indeed could not exist without) the bounded, routinized world implied in unitary social solidarity which is created by generalized social exchange. The dyadic (discrete) social solidarity resulting from the restricted exchange relations between any pair of social actors contains both an affirmation of and tension within the general (unitary) solidarity in which it exists. This tension does necessarily lead to a continual modification of both the meaning-action complex (i.e., social structure) and the generalized social exchange acts which typify it. Thus, the inherently dialectical relation between process and structure is manifested in the tension within and continuing modification of the meaning-action complex and the actual acts of restricted and generalized exchange which provide their phenomenal base. The social actor makes no distinction between acts of social exchange: they are part and parcel of a coherent social construction of reality. Hence, it is misleading to conceive of acts of exchange as mutually exclusive representations of either generalized or restricted exchange. A more accurate description is to say that any given social exchange act represents somewhat more of a structural (generalized:unitary) quality or somewhat more of a process (restricted:discrete) quality. It is, of course, the consequences of any exchange act which provide the evidence charac-
terizing the quality of that act. It has been argued here that one of the more important consequences of social exchange is social solidarity. Further, that social solidarity, as a reified cognitive construct, has the capacity to influence further action, i.e., future social exchange acts. This is one aspect of the dialectic at work in social exchange. But there is another aspect of the dialectic which derives from the initial distinction classifying social exchange into two major types, restricted and generalized. This distinction turns on the notion of the difference between interpersonal and intrapersonal comparison, which is the underlying difference between the two types of reciprocity, mutual and univocal.

The statement that the discrete level of solidarity, characterized by restricted dyadic exchange relations, implies both affirmation of and tension within a given ordering of the world (i.e., a unitary social solidarity) is based on Levi-Strauss' observation that dyadic relations are based on interpersonal comparison. As such these comparisons do exist phenomenally and thus represent integration of meaning-action complexes of individuals. But as intersubjective comparison cannot, by definition be perfect between individuals then misinterpretation (intentional or otherwise), tension, and conflictual dissolution must ensue, at least to some degree. Out of this dissolution of discrete solidarity, pressure for eventual change in unitary solidarity will arise, based on the
demonstrated incapacity for a particular world-ordering (i.e., meaning-action complex) to accommodate a particular set of discrete relations. This is the essence of the second aspect of the dialectical relation between restricted and generalized exchange, and of course their functional consequences, discrete and unitary social solidarity. If the vessel containing the activity is "real" at any point in time, it is also changed by that activity over time. Hence, the social structure (here characterized as unitary solidarity which is in turn phenomenally represented in generalized exchange) is continually modified by the social processes (here characterized as discrete solidarity which is in turn phenomenally represented in restricted exchange) that operate within it. It must be noted however, that to say these processes operate within the structure is misleading, an unfortunate aspect of the language available to describe what is the case. For the processes are the structure, and that is why the dialectical description is the proper way of conceiving the situation, both at one point in time and over time.

To briefly summarize the above discussion, it is argued that:

(1) two types of social solidarity exist, labelled discrete and unitary, which are characterized by restricted and generalized exchange, respectively.

(2) unitary solidarity, a structural construct, represents the degree of consensus upon meaning-action complexes or world-orderings: discrete solidarity, a process construct, represents the dyadic relations of social actors.
(3) dyadic, restricted social exchange relations take place within the bounds of a world-order (a unitary social solidarity) or social structure which is typified by generalized social exchange relations.

Now, the notion of generalized exchange, based as it is upon unidirectional reciprocity, providing the solidarity in which restricted, mutually reciprocal exchange takes place is stated as a proposal--a rudimentary hypothesis which remains to be refined and possibly tested. There is some research evidence available which bears on the sense making aspect of the proposal, however, and which gives some hope for the fruitful development of future hypotheses.

Deci (1975, pp. 51-59) has provided a review of the literature dealing with the individual's reduction of uncertainty and the concepts of competence and self-determination. Deci distinguishes between uncertainty which is derived from incongruity and that deriving from the ignorance of future events. The latter notion is of interest here and hence the cognitive dissonance or balance theory definitions of uncertainty are not discussed. To quote Deci (1975, p. 53)

People want to be able to predict the future, so they engage in some behaviors, not to reduce incongruity, but to gather information which will allow them to predict the future more accurately.

Kagan (1972) proposed that uncertainty in the prediction of future events leads to an intrinsic need to resolve such uncertainty. He notes (1972, p. 57) that

. . . . social institutions are conveniently organized ways to provide routines to deal with uncertainty . . . . These ritualized
solutions may fail when a significant portion of the population questions their effectiveness . . . . This inconsistency, which produces uncertainty, can be toxic to the effectiveness of the procedure.

Kagan is dealing with both the need to create predictability, and, helpful to the proposal made here, the process in which such predictability arises. He seems to see predictability as originating in consistent belief patterns among individuals. It is held here that social exchange processes foster this type of consistency. Lanzetta (1963, 1971) provides some support as well, as he shows that information gathering behaviour is motivated by response uncertainty, and "that this search behaviour will be a monotonically increasing function of the amount of uncertainty."

Some research conducted from the perspective of organizational reduction of uncertainty also lends credence to the validity of the proposal presented here. Van deVen and Delbecq (1974) used notions of reduction of uncertainty (operationalized as task variability and difficulty) developed by several writers (e.g., Perrow, 1967; March and Simon, 1958). The latter writers propose that task variability (i.e., uncertainty) "directly affects the mode of operating within a unit of structure work activities." Van deVen and Delbecq tested the hypothesis that the structuring of activity is contingent on the uncertainty reduction required of a work unit. Their data indicate that, indeed, work units required to deal with low uncertainty, structure their activities to a high degree, while those units faced
with high uncertainty do not use pre-specified means to deal with that uncertainty. Rather these high uncertainty work units develop strategies to fit the particular nature of the uncertainty so as to accomplish the general ends of the work unit.

It is argued here that the Van deVen and Delbecq research may be interpreted as offering support for the proposal presented above in two ways:

(1) Work units which are dealing with high uncertainty, are in fact engaged in an ordering of the world which is analogous to the generalized exchange functions: whereas work units which are faced with low uncertainty engage in highly structured activity, which is analogous to the restricted exchange function.

(2) It is further intuitively obvious that their data indicate that the high uncertainty work units provide the structure upon which the low uncertainty work units base their activities: this is precisely why such units in fact face low uncertainty. The uncertainty has been reduced by a separate functional unit; in this case a work unit whose task is to do just that.

Reduction of uncertainty by the construction of a model of the world which has the quality of being "real" is evidenced both in the psychological literature and that of some organizational theorists. In the former literature the unit of analysis is the individual and his cognitive processes, while in the latter, the unit of analysis is the organization and group processes within it. But each describe the duality of process involved in the life of both the individual and the
organization: the construction of an ordered world and the subsequent living within that world, the relation between the thing and the act being a dialectical one.

In conclusion, then, it is proposed that social exchange processes may operate two ways (a) in restricted exchange the straightforward interpersonal comparison of characteristics and assets makes use of, and reaffirms existing meaning-complexes and (b) in generalized exchange, patterns of behaviour such as rules or norms (i.e., meaning-complexes) are created in the form of a social reality, which then act back on their creator(s) and provide the information needed to reduce uncertainty (or obversely, create predictability) in the interaction process. In both cases, the uncertainty infusing all unfamiliar contact is resolved by the exchange processes themselves, which both depend on and produce, social solidarity.
<table>
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<th>Author(s)</th>
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Deci, E.


Deutsch, M. and R. Krauss


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(b)


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