

# BARTER, EXCHANGE AND VALUE

An anthropological approach



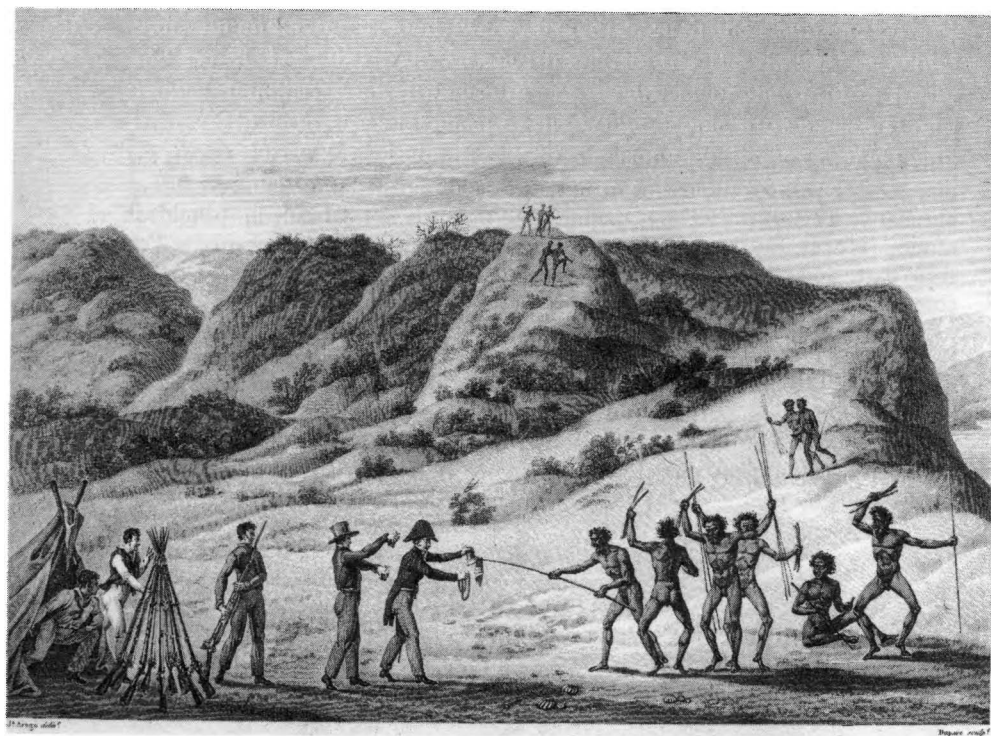
Edited by Caroline Humphrey  
and Stephen Hugh-Jones



## Barter, exchange and value

This book concerns barter, a transaction in which objects are exchanged directly for one another without the use of money. Economists treat barter as an inefficient alternative to market exchange, and assume that it is normal only in 'primitive' economies or marks the breakdown of more developed exchange mechanisms. For their part, anthropologists have been more interested in the social and moral complexities of the 'gift', and treat barter dismissively as mere haggling.

The authors in this collection do not accept that barter occupies a residual space between monetary and gift economies. Using accounts from different parts of the world, they aim to demonstrate that it is more than a simple and self-evident economic institution. Barter may constitute a mode of exchange with its own social characteristics occupying a specific moral space. This novel treatment of barter represents an original and topical addition to the literature on economic anthropology.



Inter-ethnic barter in the early nineteenth century from Louis Claude de Saules de Freycinet, *Voyages Autour du Monde*, plates vol., Paris, 1824-6. (By permission of the Syndics of Cambridge University Library.)

# Barter, exchange and value

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*Edited by*

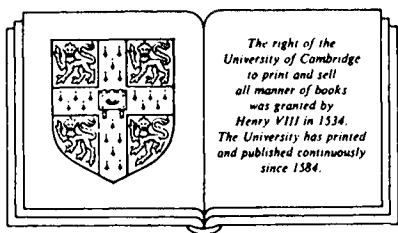
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# 1 Introduction: Barter, exchange and value

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*Caroline Humphrey and Stephen Hugh-Jones*

At a dinner-party last year a Rumanian dealer in primitive art, based in Paris, described his delightful trip to the depths of the Celebes. 'I often have to trade', he said. 'Just a month ago, for example, I discovered a wonderful carving of a god but the owner wouldn't sell it to me. I had to have it. He wouldn't take money at any price I offered him. He wanted a pair of two-year-old oxen, nothing more and nothing less.' 'So what did you do?' 'Oh, there was a market round the corner and I sent a man down there to buy the oxen. I couldn't go myself, of course, or the price would have shot up. I took the oxen round and got the carving.'

What the dealer called 'trade' is an example of barter which displays some of a range of features often associated with this kind of exchange. (a) The focus is on demand for particular things which are different in kind; in other cases it may be for services exchanged for goods or other services. (b) The protagonists are essentially free and equal, either can pull out of the deal and at the end of it they are quits. (c) There is no criterion by which, from the outside, it can be judged that the oxen are equal in value to the carving. Some kind of bargaining is taking place, but not with reference to some abstract measure of value or numeraire; each simply wants the object held by the other. (d) In the case above, the two parts of the transaction occur simultaneously; sometimes the two may be separated in time. (e) Finally the act is transformative; it moves objects between the 'regimes of value' (Appadurai, 1986) sustained by the two actors. Here, these are identified with two distinct cultures, the Celeban village where the oxen are used to plough and the carving is 'a god', and the Parisian art world where the oxen are mere substitutes of money and the carving becomes a 'primitive statue' whose equivocal value the dealer will push to its highest in the circle of his buyers. This too is a common, but not a necessary, feature of barter exchanges.

We would emphasise that this is not meant to be a check-list for a definition of barter. Attempts to produce a universal definition or model of barter usually involve stripping it from its social context and result in imaginary abstractions that have little or no correspondence to reality. In

our view barter is better understood when seen in the light of its social context; as this context varies so will the features of barter itself. This introduction and the papers that follow it will show that some of the features mentioned above may be absent from transactions that we or others call barter, and yet others may be present. Like many other phenomena studied cross-culturally by anthropologists such as 'marriage', 'shamanism', 'the gift', barter involves a constellation of features not all of which are necessarily present in any particular instance. Thus we provide no definition of barter. Instead we treat it as what Needham (1975) has called a 'polythetic category'.

Although we see barter as separable from other types of exchange – gift exchange, credit, formalised trade and monetised commodity exchange – there are not always hard and fast boundaries between them: barter in one or another of its varied forms coexists with these other forms of exchange, is often linked in sequence with them and shares some of their characteristics. In some cases too, like that of our Celeban native and Parisian art dealer, the parties involved may see one and the same transaction from different perspectives, one as 'barter' pure and simple, the other as a disguised or surrogate form of monetary exchange (see the papers by Thomas and Hugh-Jones in this volume). This is a further reason against isolating off barter as a bounded type and giving it a tidy definition.

The papers in this volume provide ethnographic descriptions of a variety of barter transactions examined in relation to other forms of exchange and to their social context. In addition, we include one chapter from two economists, Anderlini and Sabourian, who provide a formal, theoretical discussion of the organisation of different types of exchange. By producing new ethnographic evidence and setting these different examples together, we hope to raise new questions and to stimulate a rethinking both of barter itself and of gift and commodity exchange which are usually given pride of place in the theoretical literature and between which barter so uncomfortably lies.

In our view barter is an important phenomenon which has been both misunderstood and underestimated in anthropology. It has been misconstrued largely because of the persistence of the creation-myth in classical and neo-classical economics that in barter lie the origins of money and hence of modern capitalism. In this perspective money originates as a solution to the problems of barter. We disagree with this, and the paper by Anderlini and Sabourian in this volume provides a lucid counter-argument from within contemporary economics. The underestimation of barter in anthropology is also linked with this idea, perhaps because of its identification in Western thought with something necessary, but base, in human nature.

Adam Smith expressed this as follows: 'This division of labour, from

which so many advantages are derived, is not originally the effect of any human wisdom. It is the necessary, though very slow and gradual, consequence of a certain propensity in human nature which has in view no extensive utility: the propensity to truck, barter and exchange one thing for another' (Smith, 1776, vol. I: 17). Here barter appears as the engine for the evolution of economies, but at the same time as something self-oriented or even selfish, an apt target for the Christian tradition which has at its heart the doctrine of original sin, but no clear delineation of what that sin is.

The very vocabulary – 'higgling', 'haggling', 'swapping', 'dickering', 'truck', and 'barter' itself – is disparaging. Tarred with the brush of 'negative reciprocity' (see Sahlin, 1972: 195), barter is too easily elided with selfish profiteering, on the dark side of Gell's formula: gift/reciprocity = Good; market-exchange = Bad (see this volume). Had there been one in the English language we, as editors of this volume, would have used another word than 'barter'.

Recently writers such as Bourdieu (1977) and Tambiah (1984) have challenged the more stereotyped views of the spirit of gift exchange often accredited to Mauss. Drawing on certain underplayed aspects of Mauss' original analysis, they have re-emphasised the elements of strategy, calculation and self-interest which are common to both gift and commodity exchange (see also Appadurai, 1986). In exploring the cultural dimensions of barter, so often represented simply as the primitive essence of economic self-interest, the papers in this volume represent a complementary endeavour, a move away from a discrete stereotype towards the characterisation of a complex phenomenon which, like the gift, includes ideas, values and visions of the transacting other.

Barter is important partly because of its ubiquity. Not just the rare and perhaps dubious instances of silent trade (Woodburn, n.d.) or a few petty exchanges on the fringes of groups, but whole trade systems have been based on barter as their major mode of exchange (see Wolf 1982; Helms, 1988: 119–30). Such systems criss-cross Australia, link the Andes with the forest, the Amazon and Orinoco, and are documented in native north America, in pre-Columbian Mexico, in Central Asia, Siberia and many other places. Anthropology's earlier preoccupation with 'societies' as bounded units has led to a disastrous undervaluation of the socio-economic relations between groups which are actually essential to the reproduction of cultures. Bartered objects in such regional trade systems are not simply items of humble everyday use. In fact they were rarely such. Cultural distance itself and the exceptional significance attributed to objects from mysterious places, made these items pivotal in the legitimisation of religious and political power internal to the receiving group (see Thomas this volume and also Servet, 1981–2 and Helms, 1988).

What is essential as far as barter is concerned is not so much the mystery

as the fact of difference: the existence of a realm where there are objects of desire, that is, objects one has not got and for which one is prepared to sacrifice what one has. In those regions such as the Andes or Himalayas where, for ecological or social reasons, many different economic niches have been established, this 'realm' may be just down the trail. Or it may be continents away in remote and dangerous places inhabited by beings who hover between the divine and the demonic. In any case, as the papers by Thomas and Hugh-Jones both show, the source of such desired objects is not unthought about but has its place in a geography of the world, indeed in a cosmology, which sometimes preserves mystery, as European cultures have always done with regard to 'the Orient'.

If it is not the case that the problems of barter led inevitably to the development of money, nor is it the case that, in the contemporary world, money has destroyed barter. In international trade, Colombian coffee was once bartered for Polish bricks and these for American cars to import back into Colombia, and, on a more domestic level, American suburbanites now consult special handbooks on the procedures and etiquette of barter as they swap goods and services with their neighbours (see Matison and Mack, 1984). Barter occurs in the absence of money and where there is no over-arching monetary system, but also where a common currency exists but where people prefer not to use it, or where there is not enough money to go round. Barter may even serve as a solution to the problems of money.

An example of the deliberate rejection of money is the Lhomi of North-East Nepal, where a marginal political position between the states of Nepal, Sikkim and Tibet has enabled them to operate a predominantly barter economy and maintain an, admittedly flimsy, independence by being 'unable' to pay money taxes to anyone (Humphrey, 1985). Another example is the pastoralists of the West-African savannah zone, who reject the market, and barter for what they want from agriculturalists. Refusing to sell their cattle keeps the value of livestock high, whereas on the occasions when drought has forced sales the prices go down (Hart, 1987).

Perhaps more common than rejection of monetary exchange is a simple lack of money leading to barter: people may be so poor, may need things so much in order to carry on daily life, that they cannot afford to hold any of their assets in money. States as well as individuals may find themselves in such a situation, as the meat for grain trade in West-African countries shows (Hart, 1987). Clearly, these two situations, a decision to use barter and a lack of money, may coincide and reinforce one another. In such situations, money may become so unpervasive and so patchily present that it itself becomes yet another object to be bartered. Currency thus may cease to measure the value of commodities in general, i.e. cease to act as a numeraire (Humphrey, 1985). Even in more or less fully monetised

economies, cultures may conceive of money not as a whole, but as different species, as it were, which are not inter-changeable (see, for example, the 'devil's money' in Taussig, 1980).

In short, barter is not just a historical institution or one peculiar to archaic or 'primitive' economies; it is a contemporary phenomenon which covers both large and small-scale transactions and occurs within and between many different types of society. This book itself deals mainly with barter in peasant and tribal societies living on the fringes of the capitalist world in historical Polynesia, and in contemporary Melanesia, Latin America and the Himalayas. Although its aim is not to analyse barter in industrial society or in contemporary world trade between sovereign states, the continued existence of barter in advanced, complex societies with fully monetised economies shows parallels with barter elsewhere and throws light on some key issues. It may be worth mentioning them briefly for this reason.

Up to now much of the international trade between the West and the socialist bloc countries has taken the form of barter. This is because money itself has had a different function in the economies of capitalist and socialist countries, and therefore is not strictly commensurable (Neale, 1976). We see this as the result of the existence of separate 'regimes of value'. In socialist countries workers pay a tiny proportion of their wages for housing and transport, and more for clothing and consumer items, for example, but in the West the reverse is the case. The money prices indicating 'more' or 'less' in these separate regimes are not a universal measure of value. It is a political decision to organise an economy in a particular way, just as it is to establish separate currency zones. The surface reason why East-West trade usually takes the form of barter is the lack of hard currency reserves in the East. But an underlying cause is the existence of different cultural conceptions as regards the values in each economic system, and the maintenance of boundaries between them. Large-scale money transactions threaten the boundaries between such regimes in a way that barter does not, because the regulation of money is perhaps the major way in which governments attempt to control their economies. The link between barter and separate regimes of value, a theme of the papers by Humphrey, Thomas and Hugh-Jones on Nepal, Polynesia and Amazonia, is thus also found in the case of barter between advanced, industrialized nation states.

Another common feature emerges at the other end of the scale, in barter deals between individuals in the contemporary United States, the home of rampant commercialism. Here, barter is culturally located as non-commercial, as the following instruction from a recent American barter handbook shows:

Do not ask for money. You are supposed to trade your skill in repairing the sink for eggs from someone else's chickens. Such behaviour (asking for money instead) injures the non-commercial image of the exchange or co-op and undermines people's faith in its integrity ... Whether you join a barter club, swap with a cousin, or use a network, most of your trades will be part of an ongoing relationship. In effect, this is what separates bartering from cash sales. Since mixing business and friendship is a delicate matter at best, you may need some general guidelines. Remember you want to keep the door open for the next swap. Besides you may meet your barter partner at the pool, or be invited to the same party. (Matison and Mack, 1984: 99).

As our papers show, this 'sociable' or non-commercial aspect is a prominent feature of many non-Western barter exchanges too and one which goes against the popular anthropological stereotype.

There are few if any whole economies of any sizeable scale which are known to have operated by barter alone. This is the case even, for example, in the Ancient Near East before the emergence of coinage. Here, it seems, state taxes in grain and centralised and priestly redistributive systems were the major organising features of the economy, and barter probably operated only at the micro-level (Polanyi, 1957). So barter should be seen as one mode of exchange amongst others, not as the single means of running an economy. As our papers show, it is not only the case that barter coexists with gift exchange, money transactions, formalised trading, etc. so that strategies and obligations in one sphere will spill across into others, but also that objects enter and leave systems of any one of these economic institutions by means of the others. These include various types of exchange such as those just mentioned and also, of course, specific forms of production and consumption. For these reasons it is not useful to analyse barter as an isolated phenomenon.

An anthropological perspective provides a new understanding of the implications of the 'disutility' of barter. In the standard view, the famous 'coincidence of wants', whereby each partner must not only know from whom to obtain what he wants but these wants must be simultaneous, is so inconvenient that it leads inevitably to the emergence of money. But, as Anderlini and Sabourian show in this volume, what is necessary to allow barter to happen is information. In the real world there are many kinds of social relationships where sufficient information is present. Barter occurs mostly in local face-to-face situations, where people and the paths of goods are known. Trading partnerships, which are frequently ritualised, are another means to this end, as are regular seasonal marts and fairs. From the formal point of view, it is information, not any particular social context, which is essential. In the post-industrial West there are computerised barter networks which link firms across the United States (the aim here is to trade without having to pay tax), and most towns and regions



have barter cooperatives and other organisations which operate by means of newspapers, computer print-outs, etc. It is noteworthy that even with such computerised networks the actual bargaining is carried out face-to-face and requires personal assessment of the partner. To sum up, there can be very few, if any, economies which operate without barter.

But it is not simply the pervasiveness of barter which makes us think its place should be re-assessed. For anthropology, barter should be an important theoretical concept. The literature has been dominated by a model of ceremonial exchange ('the gift') and to a lesser extent by those of sharing and hierarchical redistribution. The other major category is market-exchange (the 'commodity transaction'), which has a long history in economic anthropology (Polanyi, 1957; Sahlins, 1972; Dalton, 1961; Gregory, 1982). What is missing here is a concept of barter in its own right.

The polar contrast between 'the gift' and 'commodity exchange' is exemplified by Gregory (also discussed by Gell in this volume). Each neatly opposes the other in a number of ways: in gift exchange, inalienable objects, of the same kind, pass between people already bound together by social ties whilst in commodity exchange, alienable objects, of different kinds, pass between people acting as free agents. Gift exchange underwrites social relations and is concerned with social reproduction; commodity exchange establishes relations between things and ensures their reproduction (Gregory, 1980, 1982). The 'commodity transaction' in this analysis is abstracted from Marx's analysis of capitalism, but it is left to stand as a catch-all for any exchange in which objects are alienated and in which the aim is accumulation, in other words, implicitly including barter. This seems to us wrong for several reasons, chief of which is that the abstraction of a typical transaction-type from nineteenth-century capitalism simply does not correspond to what we know about how barter works.

Whereas Gregory counterposes gift and commodity as a binary pair, Sahlins places them at opposite ends of a continuum: from the positive altruism of what he confusingly calls 'generalized reciprocity' to the 'unsociable extreme' of 'negative reciprocity'. The latter is exemplified by barter, chicanery, haggling, etc. By using phrases such as 'the mentality of the market place', Sahlins (1972: 200) appears to link this to proto-capitalist thinking. In their different ways, Gregory and Sahlins thus come to much the same conclusion. But we maintain that barter is not an archaic prototype of capitalism, any more than is gift exchange. It is a mode of exchange in its own right.

Essentially the exchange in barter is determined by the interest which each side has in the object of the other, an interest which is satisfied by the transaction. The objects exchanged have direct consumption values for the

participants. Monetary exchange is different: here the value of one exchange object (money) has no direct use, but is merely a claim on other definite values. The realisation of such a claim depends on its acknowledgement by the economic community as a whole, or on a government as the representative of the community (Simmel, 1978: 177). In barter, on the other hand, the transactors are on their own: if they decide that one object is worth another one that is all that matters. In other words, the objects are not measured against one another by some external criterion, but substituted for one another by an internal balance. This implies a lack of integration of exchange ratios, the possibility of not having socially defined pervasive values, and it is why barter tends to occur between communities or within economically weakly articulated ones. But it does not mean that barter implies an absence of social relations. As Simmel forcefully argues, it is not that society, as an 'absolute entity', exists and creates exchange, but that exchange itself creates the bonds of society. Society does not 'allow' relations of cohesion, a division of labour, or any other institution, to develop within its framework, but is itself the synthesis in a general form of these relations (*ibid*: 174–5). Barter, in this perspective, is one kind of exchange which creates social relations in its own mode.

What are these social relations? Perhaps four can be singled out as most important. One: because a barter exchange consists of mutual payment, i.e. it requires no further transaction (as would be the case with money) to satisfy the wants of the actors, the relationships created by simultaneous barter are in themselves discontinuous and unstable. It is possible to call quits and turn aside never to see the partner again. This fitful incoherence, however, should be immediately qualified by the other three factors, which interact in a tense and unstable way with it.

Two: it is comparatively rare for opportunities for barter to happen quite spontaneously and by pure chance and then never occur again. People may often wish, or need, to repeat a transaction at a later date. Given the necessity of information about what is to be traded, where, when, and by whom, if barter is to occur at all efficiently, the result is what we may call barter systems. Goods tend to be exchanged with known people at particular times and places. There is therefore an in-built tendency to act fairly, that is, in a way which will satisfy the other partner such that the exchange may be repeated in the future. This is all the more likely in that barter is more functional if it includes the possibility of delay, or credit. Thus, where barter is simultaneous people will aim to acquire a reputation for fair-dealing, and, when a time element enters, their aim will be that of trustworthiness. These points are taken up at a theoretical level in the paper by Anderlini and Sabourian in this volume. It is perhaps worth stressing here that when Anderlini and Sabourian state that 'barter is the

extreme case in which no trust is present in the system' (p. 100) they have in mind that, in both logic and in real life, a *system* of simultaneous barter (which alone does not require such trust) is a virtual impossibility. The paper by Humphrey shows clearly that, for the Lhomi, issues of trust may be of paramount importance in the workings of real barter networks.

Not only is it logically the case that credit increases the range of opportunities for barter, but in the real world products from subsistence activities each have their own particular seasonalities, whilst supplies of exotic and foreign goods are often sporadic and unpredictable, with the result that exchange on credit may be unavoidable. Credit implies trust. So, although simultaneous barter is perhaps that economic transaction which can best dispense with trust, because barter is very rarely a one-off transaction, its actual operation in social life must work to create both fair-play and trust (see Humphrey, this volume). For this reason we disagree with the point made by Sahlins and repeated by Hart (1986) that barter, being little short of chicanery, therefore requires the existence of over-arching peace-enforcing structures to prevent 'the economic friction from kindling a dangerous situation' (Sahlins, 1972: 201). Our view would be that barter creates its own social relations which can exist in a wide range of political situations.

Three: in barter, unlike certain forms of 'the gift' where it is enjoined, for example, that pigs be repaid by other pigs, the objects which are exchanged are dissimilar. I want to give up something I have got because I want something else more. Not only are the goods unlike, they are also frequently incomparable. Even if some notion of monetary value hovers in the background, as was perhaps the case with the Parisian art merchant and the peasant from the Celebes, it would be a mistake to think that the consumption or use values of the objects are measurable by some common, abstract standard held in the heads of the two parties.

This important point was made by the economist Marshall, whose argument we briefly summarise here. He said, 'The real distinction between the theory of buying and selling and that of barter is that in the former it generally is, and in the latter it generally is not, right to assume that the stock of one of the things which is in the market and ready to be exchanged for the other (i.e. money) is very large and in many hands; therefore its marginal utility is practically constant' (Marshall, 1920: 793). What Marshall is saying here is that if we barter say potatoes for shoes, both of these items will have diminishing marginal utility for us, i.e. the more we have of them the less useful to us will be each additional amount. This is not the case with money in general, even though for individual people the marginal utility of money will not be constant (for a poor person the benefit measured by £1 is greater than it is to the rich man: for example the

latter may take the tube 100 times before he feels that he has spent enough on fares, a poor man only 10 times).

In commodity markets the value of money is steadied as a whole by the presence of wealthy dealers and institutions, such as banks, which can always afford to buy large quantities and thus maintain the rate at which money exchanges for other things. This means that in any particular commodity market, for example buying and selling corn for money, the price in the end will reach what Marshall calls the true equilibrium, i.e. that which, if fixed at the beginning of trading and adhered to throughout, would exactly equate supply and demand. This is not the case with barter. The marginal utility of all commodities in barter varies and there is no single item which can exert a steadying influence. Although an equilibrium price of, say, apples for nuts may be reached, it will not be the true equilibrium, but an accidental one. In practice, the price or exchange ratio reached will depend on many extraneous factors, one, but not necessarily the only one, of which is often skill in bargaining. The ratio is therefore better seen as the outcome of the exchange rather than as its precondition. It is an expression of the fact that 'those two people, on that particular occasion, saw those things as substitutable for each other'.

Thus it makes no sense to ask, in the abstract, how many oxen a statue is worth. The 'many extraneous factors' which influence the accident of an exchange ratio actually reached are in fact the sum of economic, political, social and psychological pressures on either side brought to bear in a particular instance. Therefore, the values which bartered objects represent are indicative of the confrontation between ways of life, or, as Strathern puts it in her chapter in this volume, of the regard in which the other is held. If 'the gift' is in Mauss' term 'total prestation', then barter is equally total exchange, whereby people are identified with the products of their way of life and vice versa. The papers by Humphrey and Hugh-Jones provide examples of the personalised nature of the goods involved in barter transactions from both Nepal and northwest Amazonia. Barter thus uses goods to create a relationship of mutual estimation between the self and a partner who is representative of an 'other' set of values. As Woodburn (n.d.) has shown, where there is fear, hostility or status inequality between the parties involved, and where such values involve the stigmatisation of one of the parties, 'silent trade' may result. Here, the avoidance of face-to-face contact may also be a device to maintain the autonomy of weaker, stigmatised groups, such as hunter-gatherers, with respect to their settled neighbours, by reducing the relationship that trade implies to an absolute minimum.

Four: as Sahlins remarked with reference to marital exchange, when unlike, and therefore in some sense unequal, things are exchanged, the lack

of a precise balance is of the essence. 'Unequal benefit sustains the alliance as a perfect balance would not' (1972: 222). A 'perfect balance', however, is what is created by immediate barter, because the transactors are quits at the end. If, as we have noted, this tends towards a fragile and unstable bond, it is also essential to note that, in principle at least, the relationship is one of equality. The very act of barter exchange creates equality out of dissimilarity. It does so because the bargain struck is that which satisfies either partner. As Strathern points out in her chapter, one difference between gift exchange and barter is that, by its very nature, the former mode implies some compulsion: ('people must compel others to enter into debt... the recipient's need is forced upon him by the donor'), whereas in barter each side decides their own needs, and the aim is to end the transaction feeling free of immediate debt.

Now it is true that barter can exist within many kinds of wider political relations of inequality: merchants may deliberately employ in-kind payments with indigenous people in order to debar them from the market (Gorer, 1938); or, as the paper by Hugh-Jones (this volume) shows, colonial powers may hijack indigenous barter systems to keep people in thrall by barter credit, often backed by repressive sanctions or an outright reign of terror (see Taussig, 1987); or one community may use force against others to maintain a monopoly of a certain good in a barter system (Jest, 1975). In such situations it is possible for one side to hide information from the other, say about prices in the outside world of the goods they are offering, and thereby exploit them. But this is maintained by forces outside the exchange itself, mainly colonialism and regional balances of power. Barter itself, as a mode of exchange, is a struggle against enforced transactions, though frequently a puny one. The threat never to come back again and the range for bargaining may be small and feeble, more or less illusory in respect of the wider economy, but their existence maintains whatever is possible in the way of equality in the relation between partners.

These four characteristics thus present barter as something which is not stable and self-regulating, but rather dynamic, self-contradictory, and open-ended. Discontinuity, the creation of trust, the interaction with dissimilarity, and the bid for equality are not easy bedfellows. The historical ephemerality of barter may be one reason for the academic neglect of the subject. Yet barter, and the issues it raises, recur sporadically in the literature, and it is to those accounts which have been most influential that we now turn.

The idea that barter is an ancient prototype of capitalist commercial exchange is not yet laid to rest, although it has been the subject of sustained criticism. The theory is as follows: a natural propensity to barter and exchange led people to establish a division of labour whereby separate

groups produced different products. Pervasive barter between individuals from these groups soon gave way to fairs, and here one traded item rapidly came to assume the role of a means of exchange. This became money and allowed the development of long-distance trade, and, subsequently, other financial institutions such as bills of exchange and banks. From this emerged the commercial bases of capitalism (see Jevons, 1910; Clower, 1969).

The most forceful critique of the theory was produced by Polanyi, who realised that economic institutions do not just 'arise' in a political vacuum. In his view, the sequence was rather the reverse: ceremonial exchange was primary, political conditions then allowed long-distance trade to arise between geographically different regions, and this was followed by the emergence of money; the existence of money gave people the commercial, profit-oriented attitude, which finally made possible a fringe, low-key haggling and bartering on each occasion (Polanyi, 1957). We do not think it proper to agree with either of these stories, whose foundations lie in so much that is unknown. Indeed, in a daring re-interpretation of the ethnographic data from New Guinea, Gell's paper in this volume actually reverses part of Polanyi's sequence once again – but let us note the key issue of disagreement between them, the alleged propensity of humankind to truck and barter.

Polanyi followed Marx in seeing modes of exchange as determined by the political economy rather than by 'human nature'. Yet on the precise issue of barter itself Marx was ambivalent, as though the ideas of the classical economists were still lingering in him. The idea that barter is 'beyond society' was clearly expressed by Marx in *Capital*, volume I (1954: 91) where he opposed barter to transactions within society and based on communal property rights. He located the origin of barter in exchanges between primitive societies, on the grounds that only in the absence of communal rights to property was it possible for people to alienate their goods. Gregory, elaborating on Marx, has described the relationship between the barter transactors as one of 'reciprocal independence' as opposed to the 'reciprocal dependence' which exists within the 'gift' oriented society (1982: 42). Marx went on immediately to add that as soon as people got the idea of alienated exchange of goods this spread inside society too, because of man's inherent desire for individual acquisition.

This brief account suggests that there are at least two issues: the question of what is individual human psychology as far as acquisition, altruism, etc. is concerned, and the matter of the influence of socio-economic structures. Marx's category of 'use-value' summarises the confusion: is 'use-value' to be located in individual (psychological) evaluations, or in what generally would be the case for a person in a given society? There is a huge literature