

1-1-2001

# Gifts and Trade: Microwskian, Gudemanian, and Milbergian Themes

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Published version. "Gifts and Trade: Microwskian, Gudemanian, and Milbergian Themes," in *Postmodernism, Economics and Knowledge*. Eds. Stephen Cullenberg, Jack Amariglio, and David F Rucci. London: Taylor & Francis (Routledge): 475-482. [Publisher Link](#). © 2001 Taylor & Francis (Routledge). Used with permission.

## GIFTS AND TRADE

Mirowskian, Gudemanian, and Milbergian  
themes*John Davis*

The grand narrative has lost its credibility, regardless of what mode of unification it uses, regardless of whether it is a speculative narrative or a narrative of emancipation.

(Lyotard, 1984: 37)

Saying that there is no master discourse allows us to see the space of discourse as constituted out of competing discourses, each of which may itself claim to be a master discourse. A postmodern interrogation of rivalrous discourses may proceed by granting each a temporary, relative integrity, so as to represent the whole space they occupy as an interaction between claimant master discourses, the interaction between them tending to reinforce or erode the identity of each. The relative integrity of each individual discourse may then be investigated in terms of its current conceptual structure, a network of compulsory meanings and allowable inferences between meanings. Discourses' identities are transient, because these structures do not endure. Their reconstruction or collapse is driven by their interaction with rival discourses and by internally discovered structural incoherences, either of which may undermine stability of meaning, cause its dissemination, and necessitate the rebuilding of new meaning structures, shifting or creating discourses' identities.

Philip Mirowski tracks the rise and fall of the postwar economic anthropological discourse on the gift that treated the meaning of giving the gift as polar alternative to the meaning of reciprocal exchange. For Marshall Sahlins and Chris Gregory, the meanings of both gift and exchange are embedded in a social-cultural concept nest: [kinship ties/clan distinctions/social political hierarchies], which determines allowable inferences regarding where material transfers fall on a single continuum from gift to balanced reciprocity to even negative reciprocity (or aggression). In effect, the discourse's structure makes the social-cultural concept nest arbitrate inferences regarding how we classify

material transfers. The inferential vehicle by which this arbitration occurs is the discourse's premising inclusion-exclusion membership patterns in social-cultural groups as the central invariant in the system. Gifts are then classified as what is transferred between or within 'like' social groups. Where 'like' social groups do not come into play, material transfer operates according to principles of reciprocal exchange, that is, according to the abstract logic of pure value equivalence.

For Sahlins and Gregory, however, this alternative principle of invariance must be thought subordinate to the social likeness group principle of invariance. When we make social group likeness our focus, abstract value equivalence appears as a socially disembedded form of material transfer. Thus the social-cultural concept nest arbitrates inferences regarding how we interpret gifts and exchanges, and in particular defines reciprocal exchange as 'non-gift' transfer.

Yet Mirowski argues, on closer scrutiny the discourse's proposed social group likeness principle of invariance lacks stable meaning. Sahlins and Gregory's texts are unable to develop and sustain the concept of inclusion-exclusion membership in a social group, and even add to its conceptual instability by retreating to market concepts of scarcity and exchange to 'help' explain what increasingly becomes the 'gift economy.' Even worse, they allow that gifts alter social-cultural groupings, thereby undermining the very idea of social group likeness as a distinct principle of system invariance.

Left standing, the victor by default, is abstract value equivalence as the system's only principle of invariance explaining material transfers. The gift in its original sense as non-reciprocated transfer is now simply the 'other', the non-commodity. But emptied of independent content it cannot be understood but as part of 'gift exchange' (except perhaps as briefly disguised by giftwrap – price tags discreetly removed of course).

The implication of Mirowski's argument is that postwar economic anthropological discourse on the gift was corrupt from the outset. But this is not a Derridean corruption, an irresistible displacement of meaning that frustrates any settled interpretation of the meaning of the gift whatsoever. Rather the source of the corruption lies in the discourse's determination to set the meaning of the gift as 'non-exchange material transfer alternative to reciprocal exchange', a conceptual apparatus rather at the heart of market economy discourse.

Having begun in this way, economic anthropological discourse found itself saddled with an alien conceptual structure. In particular, 'material transfers' presupposed 'principles of invariance', which would then need to be drawn from the social-cultural concept nest that constituted the pre-existing conceptual apparatus of economic anthropological discourse. But this concept nest (it should perhaps have been recognized) does not readily accommodate invariance principles. Inevitably then, it must also

fail as an arbiter of material transfer classifications, thereby ultimately causing collapse of the discourse's conceptual structure.

It was consequently the interaction of the two discourses that undermined the temporary relative integrity of economic anthropology, poisoning/disseminating its concept of the gift, and eroding its transient identity as a discourse distinct from market economy discourse. But how on this view of relatively distinct discourses in competition does Mirowski understand neoclassical economic theory?

Following Alvin Gouldner, he argues that a system of pure value equivalence, with pervasive balance in exchange, zero arbitrage, and 'no trade' theorems everywhere, is an unstable conceptual system because it provides no reason for trade – its own paradox of intentionality. The 'no free lunch' crowd accordingly cannot resist the concept of the gift without return, because it is precisely the concept of gain from trade needed in but absent from the bloodless conceptual apparatus of exchange of equivalent for equivalent. We might, then, imagine that contact with anthropological discourse has contaminated neoclassical discourse in a manner not dissimilar to the manner in which neoclassicism has corrupted economic anthropology.

But this does not seem to be Mirowski's argument. Rather his Goedelian argument, in two steps, is that (a) any formally definite system must contain results stateable but not provable within the system, and (b) post hoc, sleight-of-hand inclusions of undecidable statements into formal systems is a mug's game, an irreducibly arbitrary procedure that creates a false sense of comprehensive explanation. Thus it is neoclassicism's conceptual pretension to structural completeness, an internal incoherence, that ultimately betrays it, not the vitality of an alternative discourse. Indeed, neoclassicism's appropriation of anthropology's gift concept of unrequited gain is opportunistic and gratuitous, since the discourse's structural strategy of closure by addition of undecidable statement creates an open field of concepts from which to select, a point made especially evident by the jack-of-all trades development of game theory.

Pol. [Behind] What, ho! help, help, help!

Ham. [Drawing] How now! a rat? Dead, for a ducat, dead!

[Makes a pass through the arras.]

Pol. [Behind] O, I am slain!

[Falls and dies.]

Modernism rests securely upon a paradox. (1) It (modernism) begins by supposing that reality anchors language, and gives language its intelligibility. Truth is ordinarily and widely thought of as a correspondence between statements, propositions, or sentences and states of affairs in the world. Individual terms and expressions are typically thought to acquire

their meanings according to what they stand for, refer to, or pick out from the world. Thus reality both lies behind language and regulates language. (2) Yet because reality can only be described in language, we are never able to consult reality apart from language to determine whether language does indeed describe reality. We attempt to turn from language to the real, but only discover language once again. Thus it seems that language cannot be about reality. (3) But what is language about if it is not about reality? To say language is about language seems to say little, if anything at all. (4) [Return to (1)].

Gudeman sees economic anthropologists and neoclassical economists as both offering essentialist and modernist approaches to understanding gifts and reciprocity, the former basing their analysis on altruism, and the latter basing theirs on self-interest. The generation of anthropologists since Marcel Mauss has regarded reciprocity as a pillar of social life, because they believe reciprocity accurately reflects the character of dyadic relationships between individuals that anthropologists believe to be at the core of society. Neoclassical economists also regard reciprocity as a pillar of social life, but alternatively believe reciprocity reflects the play of individual motivation in dyadic relationships that neoclassical economists regard as being at the core of society. Both then, believe their respective discourses rest on real economic and social foundations. These foundations regulate what they may each say about reciprocity, exchange, and gifts by determining the truth of the statements they make and the meanings of their individual terms and expressions. These real world foundations also validate their respective characterizations of reciprocity, exchange, and gifts, since each view is judged, preferred to the other in virtue of its more accurately capturing underlying real world foundations. Of course it makes little sense to suppose that two discourses that contradict one another are both correct and accurate reflections of one and the same real world. Yet neither anthropologists nor economists can consult the world apart from the discourse in which they operate to compare language and reality, and then demonstrate their view to be correct and their opponent's mistaken. Both of course claim to get at the essentials of reciprocity, but neither is acquainted with anything more than a concept of the essential.

Indeed since every attempt to acquire access to the real world must produce but another concept of the real world, for essentialists the real must always appear in endless retreat from possible capture in language. But let us bring this tedious story to a close. Since any attempt to penetrate the veil of language and grasp the real world must destroy the object sought, we should abandon the notion that discourses rest on real world foundations, and ask how else we might understand gifts and reciprocity.

Gudeman's view is that economic processes may be seen to be organized in two distinct ways that appear separately, in shifting combinations, and in tension with one another. There are production and distribution processes

that economists study as the market economy, but these processes are also socially mediated through families, household groups, villages, nations, etc. that anthropologists study as the community form of the economy. Reciprocity consequently needs to be understood differently according to the operant perspective. But it is a mistake to think that this means reciprocity simply corresponds to different things for economists and anthropologists.

For Gudeman reciprocity does not correspond to any set of institutions or processes in the community form of the economy, but is rather a way of making community. First, the gift extends the commons to someone outside a community. The gift transforms social relationships. Second, if the gift is reciprocated, the return both accepts commensality, yet also signals difference and independence. The reciprocal exchange of gifts consequently creates a larger, encompassing community in which there always remains a fragile balance between distance and closeness, detachment and warmth. Thus, if the gift in anthropological discourse is 'about' anything, it is about the uncertainty of community. But then we should not attempt to understand the language of gifts and reciprocity as a reflection of something behind discourse. Reciprocity is not at the core of society. Reciprocity is an expression of social economic processes – a secondary phenomenon, a badge worn, if briefly, upon the giving of the gift.

#### Link to Local Home Page

This goes on every page. Given the nature of the Web, you can't assume that everyone is beginning at the same starting point and following the links down. The user could be bailing in from some other link to somewhere deep in the dusty corners of the sprawl. The user may be completely lost, or may assume that your page is part of the company he or she just branched from. This can also happen with users using bookmarks to specific pages. Always show them a way home.

(Cearley, 1998: 187)

Modernist metanarratives require centers of gravitation. They anchor a conceptual apparatus by identifying points of entry that channel passage to other conceptual sites. Those latter sites thus come with genealogies. A concept-site first gains meaning in terms of its association with the concept-sites previously visited; it gains additional meaning in terms of associations with concepts-sites subsequently visited. The entire narrative is understood in terms of its point of entry. At the same time, concepts-sites that cannot be accessed from a network of conceptual sites are impaired in their meaning from the perspective of the network. They either fall entirely outside the network, or should they be accessible, they



inherit the genealogy of the network with its original center of gravitation. That is...unless the network's travellers pass far enough out upon the network's periphery that the gravitational pull of its center ceases to operate. Then one might even pass to another network whose links are designed to direct the traveler to this new network's center of gravity. Preventing escape from a conceptual network, casual or intentional, thus requires that it be centripetally constructed. 'Always show them a way home.'

William Milberg knows the way home in 'neoclassical international economics'. At the top of the neoclassical home page it reads, 'the economy as market'. From there one goes to 'competition' where one learns about 'equilibrium'. Having visited these sites one is then sufficiently prepared to click on 'general equilibrium competitive analysis', from which one can finally access 'the theory of international trade', including such otherwise accessible sites as 'Heckscher-Ohlin', 'Stolper-Samuelson', and 'Rybczinski' (all accompanied by easy links to the necessary bio sites). A convenient feature of the network as a whole is that it is designed to return the visitor from any particular concept-site to other concept-sites of importance. Or, one always has the option of simply returning to 'home', and then passing down through any of the pathways in the network one chooses. An egalitarian feature of the network is that accidental visitors to any of the network's concept-sites are treated no differently than regular visitors. The highly developed character of the network is reflected in the fact that these accidental visitors are encouraged at every possible point to go to 'home' so as to be able to learn the network from its point of entry.

Of course discourses are always under (re)construction. Their producers are ever in search of ways to better organize their concept-sites, and this process continually reveals new implications and connections not previously imagined that then require integration into the overall network. However there are risks involved. Because reconstruction is initially focused on a particular concept-site in the network, the consequences of its reconstruction are often not immediately apparent.

Milberg asks us to consider the case of site foreman, Paul Krugman, founder of the 'new international economics'. For a long time the 'theory of international trade' site was closely connected to the 'competition' site. Krugman wondered whether it might not be possible to link the former site to an infrequently visited one, 'imperfect competition'. From there he imagined further connections to 'game-playing man' (replacing visits to 'rational economic man') and 'trade-oriented industrial/commercial policies' (replacing visits to '*laissez faire*/free trade'). Krugman's argument for re-connecting the 'theory of international trade' in these ways was based on the importance of intra-industry trade and the apparent success of trade-orientated policies in Japan and South Korea.

Yet as Milberg explains, Krugman soon found that these strategies for developing the 'neoclassical international economics' site met with considerable disfavor from others involved in the maintenance and reconstruction of both this site and the 'economy as market' site in which it is embedded. The issue was later cast as a technical problem involved in re-building the 'theory of international trade' site: 'the models were too sensitive to particular assumptions, and they encouraged unrealistic attempts to fine tune the activities of the state'. But Milberg identifies a more serious problem with Krugman's strategies. His proposed connections seemed to involve stronger links to other home pages than to the 'economy as market' home page. Indeed, upon arriving at the 'imperfect competition' site one does find connections to 'transnational corporations' and 'the state', which in turn have close links to the 'political economy' home page.

Krugman, it seems, originally failed to appreciate how far out on the periphery of the 'economy as market' network the 'transnational corporations' and 'the state' sites lay. But to his credit he soon recognized that visiting those sites was incompatible with the centripetal nature of the 'economy as market' network. At least in the short run, then, until a fuller structure of links through the 'optimization' site could be created for 'transnational corporations' and 'the state', he agreed that work would have to be discontinued in this area.

But lest the implications of all this be misunderstood, note that Milberg does not recommend a politics of constructing a rival 'political economy' home page with peripheral links designed to invade the 'economy as market' home page and lure its visitors away. In fact, he tells us that a postmodern theory of international trade must lack a central metaphor and cannot be rendered into a single metanarrative.

There seems to be both positive and normative reasons for thinking this. From a positive point of view, it is naive to suppose that the center can hold in any discourse for any extended period of time. Discourse is always decentering itself, because the opportunity to explore in ways that may take one outwards from any given site will always constitute an attraction. From a normative point of view, on the other hand, it seems we ought also resist the modernist impulse to compel conceptual traffic to follow rigidly predetermined pathways. Indeed, we ought to encourage travellers to visit the 'free trade in ideas' site (one, it turns out, without links to the neoclassical 'economy as market' site). They should travel prepared, however. The 'free trade in ideas' site is always under construction.



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