

## MEDIATION AND MODES OF EXCHANGE IN THE ACCEPTANCE OF A CASH ECONOMY IN PAPUA NEW GUINEA

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### Introduction

In my former paper (KARAKITA and ISHII 1990), I have attempted a symbolic analysis on the acceptance of a cash economy in Papua New Guinea in terms of the distinction between use-value oriented and exchange-value oriented societies proposed by TAUSSING (1977, 1980). I have suggested that even though most of the Papua New Guinea societies have accepted money as a medium of exchange, they can be categorized as use-value oriented, if we accept TAUSSING's distinction in terms of symbolic representation of social relations. In short, most of Papua New Guinean societies represent the relationship between things through the relationship between persons, rather than *vice versa* (c. f. GREGORY 1982).

Be that as it may, it is true that most of the Papua New Guinea societies have accepted money as a medium of exchange. Therefore, I would like to attempt, in this paper, a symbolic interpretation of processes whereby a society accepts money as medium of exchange while remaining use-value oriented. Structural Marxists such as MEILLASSOUX (1972) have proposed an analysis of the process whereby peripheral capitalism simultaneously erodes and maintains the Third World societies in terms of the articulation of modes of production. However, it is possible to provide a symbolic interpretation for the same process. First, analyses on the acceptance of a cash economy by social and cultural anthropologists in the 70's will be reviewed. Next, the limitation of such process of social changes will be suggested. Finally, incorporating PAINE (1976)'s elaboration on BARTH (1966)'s distinction between transaction and incorporation in exchanges. I would like to attempt a symbolic interpretation of the somewhat paradoxical processes of social changes in Papua New Guinean societies, where people accept money as a medium of exchange while societies remain use-value oriented.

### Entrepreneur Model

BARTH's entrepreneur model of the social change (BARTH 1966, 1967) is one of the most significant models applied by social and cultural anthropologists to interpretations of the acceptance of a cash economy in Papua New Guinea societies (FINNEY 1973, SALISBURY 1970, STRATHERN 1972). Barth counterpoises his generative model of social structures against studies of social structures in terms of moral principles. In his model, a social structure appears as a result of statistical processes in which actors conduct transactions according to their choice of options provided by moral principles of a society. His claims on social structure were found useful in studies of acculturation in general. This is because ever expanding transactions of things belonging to different cultures would end up in the integration of the relationships between values involved, since relations between the values of things transacted must be established for transactors involved in the processes of the

transactions.

According to BARTH, when two cultures contact, the role of entrepreneur as cultural broker becomes important. Entrepreneurs effect new conversion between forms of goods that were previously not directly convertible. On the one hand, they create new paths for the circulation of goods, often crossing barriers between formerly discrete spheres of circulation. On the other, entrepreneurial successes produce new information on the interrelations of different categories of valued goods (BARTH 1967 : 664).

In his study of Gorokan society in the Eastern Highlands, FINNEY (1973) supports BARTH's model of social change. Traditional Gorokan society is characterized by big-men and ceremonial exchange systems common to most of Papua New Guinean societies. Big-men are self-achieved political leaders, and build their prestige through the control of distributions and exchanges of traditional valuables such as pigs and shell-valuables in ceremonial exchanges. FINNEY reports that Gorokan business leaders, such as owners of trade stores and commercial vehicles (PMV) are the first representatives of the modernized elite. However, they have retain a firm ground in tradition at the same time. For example, inter-group rivalry played an important role in the initial spread of coffee as a cash crop, even though the cultivation of coffee on individual bases was advocated by agricultural extension services. The next stage towards a cash economy, i. e., the movement to own and operate trade stores and commercial vehicles was initiated by the Gorokans themselves. When the Gorokans were involved in commercial ventures, they were able to make large investments because people pooled money through traditional ties, even though an enterprise itself was not operated by a group.

Studying life-histories of Gorokan business leaders in the late 60's, FINNEY has found that whether they may have started as big-men or not, their entrepreneurial styles and statuses converged later. Among his informants, every business leader has at some stage in his career asked his fellows to provided him with resources to initiate and maintain his business. According to FINNEY, pooling of money is an adaptation of traditional-wealth pooling behavior to meet modern needs.

Putting the point further, SALISBURY (1970) regards competitions for social prestige as major dynamic forces for the development of a cash economy in the Eastern Highlands and West New Britain. He expected that the emulation of a leader's behaviors by his followers would lead to the further acceptance of a cash economy. However, STRATHERN points to some of the limitation in the attributes of business leaders described above for a potential social transformation. "The very fact that supporters are often kinsfolk makes it, on the one hand, easy for the entrepreneur to delay his repayments and, on the other hand, probable that the supporters will make increasingly large diffuse requests for reciprocity from him" (STRATHERN 1972 : 372). Thus, if business leaders wish to expand their enterprises, they may find themselves having to rely on external agencies to obtain the capitals to do so. Then, from this time on, he may possibly begin to remove himself as a leader of his own rural community and transform himself from a nascent big-man to an incipient capitalist.

A business leader from Mount Hagen, however, on whose life-history Strathern reports, rather than cutting his ties with his rural community, chose to strengthen his ties with particular leaders of his favour, while he was expanding his business. At a certain occasion of ceremonial exchange, he brought in a large European-reared sow in his Toyota

Land-Cruiser four-wheel-drive to present triumphantly to an important leader. Rather than becoming an incipient capitalist, he can be looked on as an establisher of big-men of another style.

Restudying Goroka in 1986, FINNEY (1987) also notes the mixture of business and "traditional" social relationships. According to him, most Gorokan regards *wantok* system as antithetical to the efficient business operation. The *wantok* system is "the indigenous social security system that enables a Gorokan or any Papua New Guinean to ask his clansmen for food, shelter, or aid of any kind and obligates the latter to honor that request" (FINNEY 1987 : 63). A few businessmen have escaped from the *wantok* system by operating outside of Goroka. However, some of them, like a business leader STRATHERN has studied, has been successful in coping with the *wantok* system. Initially, one business leader FINNEY discusses, refused credits, loans or outright gifts of food or money. However, when he found that he was cutting his ties with his community, he began to selectively honor some requests. Nevertheless, he tried to keep his loss down by collecting his debts as soon as his clansmen sold their coffee. Furthermore, by contributing handsomely to traditional exchanges, he was able to secure his access to his fellows' land for commercial purposes. Some business leaders manipulate their traditional rights to a point that some villagers feel that traditional rights and business should be separated (FINNEY 1987 : 64).

Therefore, even though FINNEY has identified a complex social system which is composed of plantation workers, government civil servants, urban workers, and rural producers as well as bushiness leaders, he sees a certain similarity between the relations between business leaders and rural producers and that between big-men and their followers. Furthermore, he disclaims that business leaders have formed a permanent class, since some of the heirs of the business leaders have failed to take over businesses established in the 60's (FINNEY 1987 : 66-68).

So far, we have observed that exchanges involving cash are seen as gift exchanges in certain contexts, as well as commercial transactions *per se*. Therefore, it is necessary to modify BARTH's formulation on culture change, since there is a possibility that a certain exchange may receive different interpretations by different social parties.

### Mediation, Restricted Codes and Elaborated Codes

Based on BARTH's distinction of exchange behaviors between incorporation and transaction, PAINE (1976) has proposed a set of useful distinctions for studies of exchange seen as communication. Here, an exchange is seen as transmissions and mediation of a message (PAINE 1972 : 66). A transaction is an exchange characterized by the value optimum for each partner involved in the exchange, while an incorporation is an exchange characterized by the value optimum for the sum of the partners, not for a single party (BARTH 1966 : 4). As communicative behaviors, transactions and incorporations have a set of alternative characteristics with respect to mediation, codes, and social control. The distinctions about mediation and codes have particular relevances to our discussion.

Mediation is communication about communication or metacommunication (BATESON 1972). Here, the emphasis is on whether a receiver confirms a sender's code or not, when he decodes the sender's message. In incorporations, a receiver confirms a sender's code, while the receiver makes his own evaluation of the message in the transactions (Paine 1976 : 68-69). In terms of codes, incorporations are characterized by a restricted code, while

transactions are characterized by an elaborated code.

According to PAINE, the restricted codes are concerned with social control rather than information. The restricted code operates in social relationships with well-defined cognitive boundaries and condensed symbols which support values legitimated by a group. A consequence of these characteristics is that both predictability and comprehension of messages are high inside such a social relationship, but both predictability and comprehension of messages are low or absent for those who stand outside of such relationships. Thus, uses of restricted codes themselves may represent particular social boundaries.

The elaborated code operates in social relationships with indeterminate cognitive boundaries and individuated symbols. Consequently, the predictability of the messages that are likely to be passed is low in the elaborated code. However, the use of elaborated codes does not necessarily mean that comprehension of messages is low, since there may be verbal elaboration of meaning beyond that which normally occurs in the restricted codes. In short, what is said counts in the elaborated code, while how it is said is most important in the restricted code (c. f. BERNSTEIN 1977). Thus, if we accept that exchanges have aspects of communication, it is possible that an exchange may receive different interpretations simultaneously by a restricted code and an elaborated code.

### Simultaneous Development of Cash and Gift Economies

Business leaders seem to stand between the restricted codes of cash and gift economies in the processes of acceptance of a cash economy. According to PAINE (1976 : 76-80), such a social position is apt to develop elaborated codes. Initially, business leaders had a restricted code concerning ceremonial exchanges and social prestige, where an increment of the control of distributions and exchanges of ceremonial valuables represented an increment of prestige. Given the prior existence of competition for control of ceremonial valuables, it is not surprising that a new form of wealth, i. e. cash, would lead to a competition for new forms of advantage. While they were pursuing transactions surrounding businesses, business leaders have developed an elaborated code where the control of distributions and exchanges of cash represents traditional social prestige by means of the analogy between cash and gift economies.

Thus, it can be claimed that business leaders promoted the cash economy through their prestige-seeking activities. However, it can also be claimed that business leaders promoted the gift economy, and constrained the cash economy. This is because business leaders' cash-seeking activities can be seen both as cash-seeking activities *per se* in business leader's elaborated code and as prestige-seeking activities in the restricted codes of both the business leaders and their followers. Similarly, STRATHERN (1979, 1980) reports on the case of Mount Hagen where men deny women's access to money gained from coffee production, claiming that money belongs to a male sphere of exchange valuables. Here, traditional interpretations of money are reproducing traditional gender roles.

In BARTH's entrepreneur model of social change, it is assumed that persons of lower social statuses would emulate the behaviors of their leaders, which promotes further acceptance of the cash economy. However, the possibility that both the elaborated and the restricted codes might be applied to an act of exchange points to the paradox we started, i. e. simultaneous development of both cash and gift economies.

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