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   Social Exchange Theory. by Karen S. Cook
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ory serves as the basis for a suggested methodology of evaluating a public policy.

More general critical theoretical considerations also abound in the volume. In particular, the colonization of the life-world, an important phenomenological insight of critical theory, receives an imaginative treatment in John O'Neill's sensitive integration of Freire and Fanon with critical theory. The provocative question, "Why has a sustained radical movement not been realized in the American context?" (p. 283) elicits an indirect, and unexpected, answer in Trent Schroyer's historical piece harking back to the precolonial American heritage of liberalism (i.e., apocalyptic Whiggism), which has the "capacity to anticipate alternatives to existing realities" (p. 284). Habermas also makes a cameo appearance with his critique of postmodern architecture, calling for a participatory remedy for the architectural malaise that has set in as a reaction to the colonization of the life-world.

In its totality, critical theory is a complex manifold that draws on diverse philosophical and sociological backgrounds. Universal pragmatics is only an analytical apparatus of critical theory that is seductively amenable to empirical application. It is, therefore, misleading to overemphasize the elaboration in these essays of this particular feature. However, I suspect that the discussion of universal pragmatics will turn out to be the most appreciated aspect of the book for those eager to discover how critical theory delivers its emancipatory message.

It is inexplicable that Habermas has hitherto ignored the preeminent contemporary exponent of emancipatory practice, Paulo Freire, who has put dialogue at the center of his liberatory pedagogy. Given their shared interest in divergent lives and intellectual histories, it would enrich the discourse of emancipation to cross-germinate Freire's language of dialogue and conscientization with Habermas's normative critical theory. It is encouraging to see that in this volume O'Neill and Misgeld give serious attention to this project and others recognize its importance. But it is yet to be developed in the full-fledged manner that it deserves. This work should inspire much research into the practical aspects of critical theory, and I hope some of it will bridge the gap between where Habermas leaves off and Freire picks up.


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The late Richard Emerson and his protégée Karen Cook are chiefly responsible for the resurgence of interest in exchange theory. *Social Exchange Theory*, edited by Karen Cook, is both her homage to Emerson
and a set of reports of recent work inspired by Cook and Emerson's fusion of exchange theory with social network concepts. Chapters by Peter Blau, James Coleman, Peter Marsden, and Jonathan Turner add to this interesting volume. The two chapters by Blau and Turner are somewhat critical of exchange theory.

In the unfinished posthumous first chapter, "Toward a Theory of Value in Social Exchange," Emerson attempts to construct a model of choice and utility more useful for sociological exchange theory than that provided by microeconomics. He assumes that the rational choice model applies only to choices between commensurate alternatives and is useful to economists because everything can be made commensurate through the measure of money. However, social psychologists must deal with actors who act in accordance with incomparable hierarchies of values, called "domains" by Emerson.

Much of the paper involves the definition of concepts (domains of value, optimum outcomes, needs, uncertainty, etc.) and some elementary and unsurprising propositions relating them. There are technical problems that would have undoubtedly been cleared up in rewrites. A more troubling problem is Emerson's use of psychological principles to account for phenomena that are "structural." Debra Friedman clarifies some of these arguments in her chapter, "Notes on 'Toward a Theory of Value in Social Exchange.'"

Using graphs and a microeconomic approach, James S. Coleman, in "Free Riders and Zealots," analyzes a simple two-person model in which each independent actor benefits from the activities of the other. Coleman shows graphically how the activity levels of the two independent actors can be suboptimal, how organization can produce optimal activity levels, and how informal interpersonal rewards (praise, status, etc.) can produce even higher levels of the "collective good."

What I found most interesting in this chapter was Coleman's distinction between "suboptimality" and "free riding." The first refers to the level of the collective good that is provided by the two actors if each maximizes his or her profit by providing the public good up to the point at which marginal costs overtake marginal value. "Free riding" refers to an added suboptimality produced if each actor behaves strategically by reducing his activity still further in the expectation that the other will react with increases in his production of the good.

In "Microprocess and Macrostructure," Peter M. Blau describes his reasons for abandoning exchange theory. Blau once felt that macrosociological phenomena could be explained by micro-level theories but now argues that macrosociology deals with emergent properties that do not exist at the small-group level. Small groups do not have economic classes, religious groups, or the other institutions that characterize societies. Blau then outlines his own recent macrosociological theory about the effects of societal distributions of qualities (religion, income, etc.) on patterns of intergroup relations. Blau's reduced expectations for exchange...
theory and other microsociological theories are certainly understandable and not uncommon in the discipline. Yet the macrosociological theory that Blau has developed could be fruitfully examined in experimental studies of small groups with varying distributions of status characteristics such as sex, race, and social class.

In "Linking Power Structure and Power Use," Linda D. Molm reports experimental research on the effective use of power in exchange networks. She shows that more effective subjects more consistently reinforced others for cooperative behavior. One limitation of the study, however, is that about a third of the pairs of subjects did not play the game strategically; both partners unvaryingly made the cooperative or uncooperative choice.

In "Elements of Interactor Dependence," Peter V. Marsden reviews his recent work incorporating network constraints into his and Coleman's exchange model. Marsden has developed an interesting set of models in which unequal exchange opportunities affect the terms of exchange and in which positions acquire power by acting as brokers for indirect exchanges. By pinpointing the conditions under which coalitions are likely to emerge, this article suggests the possibility of interesting links to the large body of game-theoretic work on coalition formation.

In "An Exchange Theoretical Approach to Network Position," Tashio Yamagishi reviews current definitions and measurements of structural equivalence and proposes new ones that are especially appropriate for exchange theory. Yamagishi proposes that two positions are structurally equivalent when removal of either position from the network leaves "isomorphic" networks that have the same pattern of relations (although the positions may be occupied by different actors). Structurally equivalent positions will then have equal power in the network.

Mary Rogers Gilmore, in "Implications of Generalized versus Restricted Exchange," integrates Emerson's theory of coalition formation as a power-equalizing strategy with principles of "generalized exchange" (Lévi-Strauss, Ekeh, and others). "Restricted exchange" is exchange in which both exchange partners in a reciprocal relationship must agree to the terms of the exchange; ordinary economic trade is the prototype. "Generalized exchange" need not be reciprocal; the prototype is the gift. It has often been suggested that successful generalized exchange builds trust and cohesion. In the experiment reported in this paper, Gilmore shows that a coalition of the weak against the strong in a bargaining situation is more likely to occur if the former have had opportunities to give gifts to each other than if they have merely had opportunities for mutually beneficial restricted exchanges.

Many of the chapters in this book use a "rational actor" model. In contrast, John Stolte, in "Legitimacy, Justice, and Productive Exchange," examines the normative component of exchange. In exchange networks, Stolte suggests, coalitions of weaker positions will use the norm of equality to distribute the gains from their coalition. On the other hand,
the gains from "productive exchanges" in which actors contribute different resources to a common project should be divided according to the norm of "equity"; each partner is rewarded according to the value of his contribution. A study of the norms that college students would apply to a set of hypothetical situations shows that both types of norms are applied to "productive exchange" situations.

In "Emerson's Contributions to Exchange Theory," Karen S. Cook takes issue with Blau's assertion that exchange theory (and other microsociological models) inevitably fail to shed light on macrosociological phenomena. According to Cook, the introduction of network concepts has allowed exchange theory to deal with collectivities larger than the dyad.

In his insightful chapter, "Social Exchange Theory: Future Directions," Jonathan H. Turner proposes that Emerson's union of exchange and network principles can bridge the gap between macro- and microsociology but that further explorations of the "rational actor" microeconomic model are a waste of time. Any discussion of utilities is hopelessly tautological as an explanation of actions and apparent preferences. The best course for exchange theorists is to take the preferences of actors as given and to develop Emerson's major insight—that the networks within which exchanges occur have their own independent effects.


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Stephen Watson and Dennis Buede make it clear in the Introduction and Reader's Guide that *Decision Synthesis* is not addressed to every reader, and I agree with them. It was written as a textbook for "final-year engineering undergraduates at Cambridge" (p. 5). The authors were motivated by an attempt to put "in a single book an account of decision analysis that: (i) describes the nature of decision theory in a way that students with quantitative background could find appealing; (ii) shows interested readers gateways into literature, allowing them to pursue topics more intensively if they so wish; (iii) gives the readers interested in the practical utility of these ideas a handbook for ways to do decision analysis in practice; and (iv) gives an up-to-date account of the practice of decision synthesis" (pp. 5–6). This is, I suppose, a fair warning to readers who do not happen to be seniors in engineering at Cambridge. The quantitative background requirement may not be good news for the typical social scientist, and even less so for the typical sociologist. In this case, however, bad news for some is good news for others. Assuming that the