SOCIAL BEHAVIOR AS EXCHANGE

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ABSTRACT

To consider social behavior as an exchange of goods may clarify the relations among four bodies of theory: behavioral psychology, economics, propositions about the dynamics of influence, and propositions about the structure of small groups.

THE PROBLEMS OF SMALL-GROUP RESEARCH

This essay will hope to honor the memory of Georg Simmel in two different ways. So far as it pretends to be suggestive rather than conclusive, its tone will be Simmel’s; and its subject, too, will be one of his. Because Simmel, in essays such as those on sociability, games, coquetry, and conversation, was an analyst of elementary social behavior, we call him an ancestor of what is known today as small-group research. For what we are really studying in small groups is elementary social behavior: what happens when two or three persons are in a position to influence one another, the sort of thing of which those massive structures called “classes,” “firms,” “communities,” and “societies” must ultimately be composed.

As I survey small-group research today, I feel that, apart from just keeping on with it, three sorts of things need to be done. The first is to show the relation between the results of experimental work done under laboratory conditions and the results of quasi- anthropological field research on what those of us who do it are pleased to call “real-life” groups in industry and elsewhere. If the experimental work has anything to do with real life—and I am persuaded that it has everything to do—its propositions cannot be inconsistent with those discovered through the field work. But the consistency has not yet been demonstrated in any systematic way.

The second job is to pull together in some set of general propositions the actual results, from the laboratory and from the field, of work on small groups—propositions that at least sum up, to an approximation, what happens in elementary social behavior, even though we may not be able to explain why the propositions should take the form they do. A great amount of work has been done, and more appears every day, but what it all amounts to in the shape of a set of propositions from which, under specified conditions, many of the observational results might be derived, is not at all clear—and yet to state such a set is the first aim of science.

The third job is to begin to show how the propositions that empirically hold good in small groups may be derived from some set of still more general propositions. “Still more general” means only that empirical propositions other than ours may also be derived from the set. This derivation would constitute the explanatory stage in the science of elementary social behavior, for explanation is derivation.1 (I myself suspect that the more general set will turn out to contain the propositions of behavioral psychology. I hold myself to be an “ultimate psychological reductionist,” but I cannot know that I am right so long as the reduction has not been carried out.)

I have come to think that all three of these jobs would be furthered by our adopting the view that interaction between persons is an exchange of goods, material and non-material. This is one of the oldest theories of social behavior, and one that we still use every day to interpret our own behavior, as when we say, “I found so-and-so rewarding”; or “I got a great deal out of him”; or, even, “Talking with him took a great deal out of me.” But, perhaps just be-

cause it is so obvious, this view has been much neglected by social scientists. So far as I know, the only theoretical work that makes explicit use of it is Marcel Mauss's *Essai sur le don,* published in 1925, which is ancient as social science goes. It may be that the tradition of neglect is now changing and that, for instance, the psychologists who interpret behavior in terms of transactions may be coming back to something of the sort I have in mind.

An incidental advantage of an exchange theory is that it might bring sociology closer to economics—that science of man most advanced, most capable of application, and, intellectually, most isolated. Economics studies exchange carried out under special circumstances and with a most useful built-in numerical measure of value. What are the laws of the general phenomenon of which economic behavior is one class?

In what follows I shall suggest some reasons for the usefulness of a theory of social behavior as exchange and suggest the nature of the propositions such a theory might contain.

**AN EXCHANGE PARADIGM**

I start with the link to behavioral psychology and the kind of statement it makes about the behavior of an experimental animal such as the pigeon. As a pigeon explores its cage in the laboratory, it happens to peck a target, whereupon the psychologist feeds it corn. The evidence is that it will peck the target again; it has learned the behavior, or, as my friend Skinner says, the behavior has been reinforced, and the pigeon has undergone *operant conditioning.* This kind of psychologist is not interested in how the behavior was learned: "learning theory" is a poor name for his field. Instead, he is interested in what determines changes in the rate of emission of learned behavior, whether pecks at a target or something else.

The more hungry the pigeon, the less corn or other food it has gotten in the recent past, the more often it will peck. By the same token, if the behavior is often reinforced, if the pigeon is given much corn every time it pecks, the rate of emission will fall off as the pigeon gets *satiated.* If, on the other hand, the behavior is not reinforced at all, then, too, its rate of emission will tend to fall off, though a long time may pass before it stops altogether, before it is *extinguished.* In the emission of many kinds of behavior the pigeon incurs *aversive stimulation,* or what I shall call "cost" for short, and this, too, will lead in time to a decrease in the emission rate. Fatigue is an example of a "cost." Extinction, satiation, and cost, by decreasing the rate of emission of a particular kind of behavior, render more probable the emission of some other kind of behavior, including doing nothing. I shall only add that even a hard-boiled psychologist puts "emotional" behavior, as well as such things as pecking, among the unconditioned responses that may be reinforced in operant conditioning. As a statement of the propositions of behavioral psychology, the foregoing is, of course, inadequate for any purpose except my present one.

We may look on the pigeon as engaged in an exchange—pecks for corn—with the psychologist, but let us not dwell upon that, for the behavior of the pigeon hardly determines the behavior of the psychologist at all. Let us turn to a situation where the exchange is real, that is, where the determination is mutual. Suppose we are dealing with two men. Each is emitting behavior reinforced to some degree by the behavior of the other. How it was in the past that each learned the behavior he emits and how he learned to find the other’s behavior reinforcing we are not concerned with. It is enough that each does find the other’s behavior reinforcing, and I shall call the reinforcers—the equivalent of the pigeon’s corn—*values,* for this, I think, is what we
mean by this term. As he emits behavior, each man may incur costs, and each man has more than one course of behavior open to him.

This seems to me the paradigm of elementary social behavior, and the problem of the elementary sociologist is to state propositions relating the variations in the values and costs of each man to his frequency distribution of behavior among alternatives, where the values (in the mathematical sense) taken by these variable for one man determine in part their values for the other.\textsuperscript{5}

I see no reason to believe that the propositions of behavioral psychology do not apply to this situation, though the complexity of their implications in the concrete case may be great indeed. In particular, we must suppose that, with men as with pigeons, an increase in extinction, satiation, or aversive stimulation of any one kind of behavior will increase the probability of emission of some other kind. The problem is not, as it is often stated, merely, what a man’s values are, what he has learned in the past to find reinforcing, but how much of any one value his behavior is getting him now. The more he gets, the less valuable any further unit of that value is to him, and the less often he will emit behavior reinforced by it.

THE INFLUENCE PROCESS

We do not, I think, possess the kind of studies of two-person interaction that would either bear out these propositions or fail to do so. But we do have studies of larger numbers of persons that suggest that they may apply, notably the studies by Festinger, Schachter, Back, and their associates on the dynamics of influence. One of the variables they work with they call cohesiveness, defined as anything that attracts people to take part in a group. Cohesiveness is a value variable; it refers to the degree of reinforcement people find in the activities of the group. Festinger and his colleagues consider two kinds of reinforcing activity: the symbolic behavior we call “social approval” (sentiment) and activity valuable in other ways, such as doing something interesting.

The other variable they work with they call communication and others call interaction. This is a frequency variable; it is a measure of the frequency of emission of valuable and costly verbal behavior. We must bear in mind that, in general, the one kind of variable is a function of the other.

Festinger and his co-workers show that the more cohesive a group is, that is, the more valuable the sentiment or activity the members exchange with one another, the greater the average frequency of interaction of the members.\textsuperscript{6} With men, as with pigeons, the greater the reinforcement, the more often is the reinforced behavior emitted. The more cohesive a group, too, the greater the change that members can produce in the behavior of other members in the direction of rendering these activities more valuable.\textsuperscript{7} That is, the more valuable the activities that members get, the more valuable those that they must give. For if a person is emitting behavior of a certain kind, and other people do not find it particularly rewarding, these others will suffer their own production of sentiment and activity, in time, to fall off. But perhaps the first person has found their sentiment and activity rewarding, and, if he is to keep on getting them, he must make his own behavior more valuable to the others. In short, the propositions of behavioral psychology imply a tendency toward a certain proportionality between the value to others of the behavior a man gives them


and the value to him of the behavior they give him.\textsuperscript{8}

Schachter also studied the behavior of members of a group toward two kinds of other members, "conformers" and "deviates."\textsuperscript{9} I assume that conformers are people whose activity the other members find valuable. For conformity is behavior that coincides to a degree with some group standard or norm, and the only meaning I can assign to \textit{norm} is "a verbal description of behavior that many members find it valuable for the actual behavior of themselves and others to conform to." By the same token, a deviate is a member whose behavior is not particularly valuable. Now Schachter shows that, as the members of a group come to see another member as a deviate, their interaction with him—communication addressed to getting him to change his behavior—goes up, the faster the more cohesive the group. The members need not talk to the other conformers so much; they are relatively satiated by the conformers' behavior: they have gotten what they want out of them. But if the deviate, by failing to change his behavior, fails to reinforce the members, they start to withhold social approval from him: the deviate gets low sociometric choice at the end of the experiment. And in the most cohesive groups—those Schachter calls "high cohesive-relevant"—interaction with the deviate also falls off in the end and is lowest among those members that rejected him most strongly, as if they had given him up as a bad job. But how plonking can we get? These findings are utterly in line with everyday experience.

\textbf{PRACTICAL EQUILIBRIUM}

At the beginning of this paper I suggested that one of the tasks of small-group research was to show the relation between the results of experimental work done under laboratory conditions and the results of field research on real-life small groups. Now the latter often appear to be in practical equilibrium, and by this I mean nothing fancy. I do not mean that all real-life groups are in equilibrium. I certainly do not mean that all groups must tend to equilibrium. I do not mean that groups have built-in antidotes to change: there is no homeostasis here. I do not mean that we assume equilibrium. I mean only that we sometimes \textit{observe} it, that for the time we are with a group—and it is often short—there is no great change in the values of the variables we choose to measure. If, for instance, person A is interacting with B more than with C both at the beginning and at the end of the study, then at least by this crude measure the group is in equilibrium.

Many of the Festinger-Schachter studies are experimental, and their propositions about the process of influence seem to me to imply the kind of proposition that empirically holds good of real-life groups in practical equilibrium. For instance, Festinger \textit{et al.} find that, the more cohesive a group is, the greater the change that members can produce in the behavior of other members. If the influence is exerted in the direction of conformity to group norms, then, when the process of influence has accomplished all the change of which it is capable, the proposition should hold good that, the more cohesive a group is, the larger the number of members that conform to its norms. And it does hold good.\textsuperscript{10}

Again, Schachter found, in the experiment I summarized above, that in the most cohesive groups and at the end, when the effort to influence the deviate had failed, members interacted little with the deviate and gave him little in the way of sociometric choice. Now two of the propositions that hold good most often of real-life groups in practical equilibrium are precisely that the more closely a member's activity conforms to the norms the more interaction he receives from other members and the more liking choices he gets from them too. From

\textsuperscript{8} Skinner, \textit{op. cit.}, p. 100.


these main propositions a number of others may be derived that also hold good.\textsuperscript{11}

Yet we must ever remember that the truth of the proposition linking conformity to liking may on occasion be masked by the truth of other propositions. If, for instance, the man that conforms to the norms most closely also exerts some authority over the group, this may render liking for him somewhat less than it might otherwise have been.\textsuperscript{12}

Be that as it may, I suggest that the laboratory experiments on influence imply propositions about the behavior of members of small groups, when the process of influence has worked itself out, that are identical with propositions that hold good of real-life groups in equilibrium. This is hardly surprising if we recall that all we mean by equilibrium is that all the change of which the system is, under present conditions, capable has been effected, so that no further change occurs. Nor would this be the first time that statics has turned out to be a special case of dynamics.

PROFIT AND SOCIAL CONTROL

Though I have treated equilibrium as an observed fact, it is a fact that cries for explanation. I shall not, as structural-functional sociologists do, use an assumed equilibrium as a means of explaining, or trying to explain, why the other features of a social system should be what they are. Rather, I shall take practical equilibrium as something that is itself to be explained by the other features of the system.

If every member of a group emits at the end of, and during, a period of time much the same kind of behavior and in much the same frequencies as he did at the beginning, the group is for that period in equilibrium. Let us then ask why any one member's behavior should persist. Suppose he is emitting behavior of value $A_1$. Why does he not let his behavior get worse (less valuable or reinforcing to the others) until it stands at $A_1 - \Delta A$? True, the sentiments expressed by others toward him are apt to decline in value (become less reinforcing to him), so that what he gets from them may be $S_1 - \Delta S$. But it is conceivable that, since most activity carries cost, a decline in the value of what he emits will mean a reduction in cost to him that more than offsets his losses in sentiment. Where, then, does he stabilize his behavior? This is the problem of social control.\textsuperscript{13}

Mankind has always assumed that a person stabilizes his behavior, at least in the short run, at the point where he is doing the best he can for himself under the circumstances, though his best may not be a "rational" best, and what he can do may not be at all easy to specify, except that he is not apt to think like one of the theoretical antagonists in the Theory of Games. Before a sociologist rejects this answer out of hand for its horrid profit-seeking implications, he will do well to ask himself if he can offer any other answer to the question posed. I think he will find that he cannot. Yet experiments designed to test the truth of the answer are extraordinarily rare.

I shall review one that seems to me to provide a little support for the theory, though it was not meant to do so. The experiment is reported by H. B. Gerard, a member of the Festinger-Schachter team, under the title "The Anchorage of Opinions in Face-to-Face Groups."\textsuperscript{14} The experimenter formed artificial groups whose members met to discuss a case in industrial relations and to express their opinions about its probable outcome. The groups were of two kinds: high-attraction groups, whose members were told that they would like one another very much, and low-attraction groups, whose


\textsuperscript{13} Homans, op. cit., pp. 281–301.

\textsuperscript{14} Human Relations, VII (1954), 313–25.
members were told that they would not find one another particularly likable.

At a later time the experimenter called the members in separately, asked them again to express their opinions on the outcome of the case, and counted the number that had changed their opinions to bring them into accord with those of other members of their groups. At the same time, a paid participant entered into a further discussion of the case with each member, always taking, on the probable outcome of the case, a position opposed to that taken by the bulk of the other members of the group to which the person belonged. The experimenter counted the number of persons shifting toward the opinion of the paid participant.

The experiment had many interesting results, from which I choose only those summed up in Tables 1 and 2. The three different agreement classes are made up of people who, at the original sessions, expressed different degrees of agreement with the opinions of other members of their groups. And the figure 44, for instance, means that, of all members of high-attraction groups whose initial opinions were strongly in disagreement with those of other members, 44 per cent shifted their opinion later toward that of others.

In these results the experimenter seems to have been interested only in the differences in the sums of the rows, which show that there is more shifting toward the group, and less shifting toward the paid participant, in the high-attraction than in the low-attraction condition. This is in line with a proposition suggested earlier. If you think that the members of a group can give you much—in this case, liking—you are apt to give them much—in this case, a change to an opinion in accordance with their views—or you will not get the liking. And, by the same token, if the group can give you little of value, you will not be ready to give it much of value. Indeed, you may change your opinion so as to depart from agreement even further, to move, that is, toward the view held by the paid participant.

So far so good, but, when I first scanned these tables, I was less struck by the difference between them than by their similarity. The same classes of people in both tables showed much the same relative propensities to change their opinions, no matter whether the change was toward the group or toward the paid participant. We see, for instance, that those who change least are the high-attraction, agreement people and the low-attraction, strong-disagreement ones. And those who change most are the high-attraction, strong-disagreement people and the low-attraction, mild-disagreement ones.

How am I to interpret these particular results? Since the experimenter did not discuss them, I am free to offer my own explanation. The behavior emitted by the subjects is opinion and changes in opinion. For this behavior they have learned to expect two possible kinds of reinforcement. Agreement with the group gets the subject favorable sentiment (acceptance) from it, and the experiment was designed to give this reinforcement a higher value in the high-attraction condition than in the low-attraction one. The second kind of possible reinforcement is what I shall call the "maintenance of one's personal integrity," which a subject gets by sticking to his own opinion in the face of disagreement with the group. The experimenter does not mention this reward, but I cannot
make sense of the results without something much like it. In different degrees for different subjects, depending on their initial positions, these rewards are in competition with one another: they are alternatives. They are not absolutely scarce goods, but some persons cannot get both at once.

Since the rewards are alternatives, let me introduce a familiar assumption from economics—that the cost of a particular course of action is the equivalent of the foregone value of an alternative—and then add the definition: Profit = Reward - Cost.

Now consider the persons in the corresponding cells of the two tables. The behavior of the high-attraction, agreement people gets them much in the way of acceptance by the group, and for it they must give up little in the way of personal integrity, for their views are from the start in accord with those of the group. Their profit is high, and they are not prone to change their behavior. The low-attraction, strong-disagreement people are getting much in integrity, and they are not giving up for it much in valuable acceptance, for they are members of low-attraction groups. Reward less cost is high for them, too, and they change little. The high-attraction, strong-disagreement people are getting much in the way of integrity, but their costs in doing so are high, too, for they are in high-attraction groups and thus foregoing much valuable acceptance by the group. Their profit is low, and they are very apt to change, either toward the group or toward the paid participant, from whom they think, perhaps, they will get some acceptance while maintaining some integrity. The low-attraction, mild-disagreement people do not get much in the way of integrity, for they are only in mild disagreement with the group, but neither are they giving up much in acceptance, for they are members of low-attraction groups. Their rewards are low; their costs are low too, and their profit—the difference between the two—is also low. In their low profit they resemble the high-attraction, strong-disagree-


ment people, and, like them, they are prone to change their opinions, in this case, more toward the paid participant. The subjects in the other two cells, who have medium profits, display medium propensities to change.

If we define profit as reward less cost, and if cost is value foregone, I suggest that we have here some evidence for the proposition that change in behavior is greatest when perceived profit is least. This constitutes no direct demonstration that change in behavior is least when profit is greatest, but if, whenever a man's behavior brought him a balance of reward and cost, he changed his behavior away from what got him, under the circumstances, the less profit, there might well come a time when his behavior would not change further. That is, his behavior would be stabilized, at least for the time being. And, so far as this were true for every member of a group, the group would have a social organization in equilibrium.

I do not say that a member would stabilize his behavior at the point of greatest conceivable profit to himself, because his profit is partly at the mercy of the behavior of others. It is a commonplace that the short-run pursuit of profit by several persons often lands them in positions where all are worse off than they might conceivably be. I do not say that the paths of behavioral change in which a member pursues his profit under the condition that others are pursuing theirs too are easy to describe or predict; and we can readily conceive that in jockeying for position they might never arrive at any equilibrium at all.

DISTRIBUTIVE JUSTICE

Yet practical equilibrium is often observed, and thus some further condition may make its attainment, under some circumstance, more probable than would the individual pursuit of profit left to itself. I can offer evidence for this further condition only in the behavior of subgroups and not in that of individuals. Suppose that there are two subgroups, working close together in a factory, the job of one being somewhat
different from that of the other. And suppose that the members of the first complain and say: "We are getting the same pay as they are. We ought to get just a couple of dollars a week more to show that our work is more responsible." When you ask them what they mean by "more responsible," they say that, if they do their work wrong, more damage can result, and so they are under more pressure to take care. Something like this is a common feature of industrial behavior. It is at the heart of disputes not over absolute wages but over wage differentials—indeed, at the heart of disputes over rewards other than wages.

In what kind of proposition may we express observations like these? We may say that wages and responsibility give status in the group, in the sense that a man who takes high responsibility and gets high wages is admired, other things equal. Then, if the members of one group score higher on responsibility than do the members of another, there is a felt need on the part of the first to score higher on pay too. There is a pressure, which shows itself in complaints, to bring the status factors, as I have called them, into line with one another. If they are in line, a condition of status congruence is said to exist. In this condition the workers may find their jobs dull or irksome, but they will not complain about the relative position of groups.

But there may be a more illuminating way of looking at the matter. In my example I have considered only responsibility and pay, but these may be enough, for they represent the two kinds of thing that come into the problem. Pay is clearly a reward; responsibility may be looked on, less clearly, as a cost. It means constraint and worry—or peace of mind foregone. Then the proposition about status congruence becomes this: If the costs of the members of one group are higher than those of another, distributive justice requires that their rewards should be higher too. But the thing works both ways: If the rewards are higher, the costs should

be higher too. This last is the theory of noblesse oblige, which we all subscribe to, though we all laugh at it, perhaps because the noblesse often fails to oblige. To put the matter in terms of profit: though the rewards and costs of two persons or the members of two groups may be different, yet the profits of the two—the excess of reward over cost—should tend to equality. And more than "should." The less-advantaged group will at least try to attain greater equality, as, in the example I have used, the first group tried to increase its profit by increasing its pay.

I have talked of distributive justice. Clearly, this is not the only condition determining the actual distribution of rewards and costs. At the same time, never tell me that notions of justice are not a strong influence on behavior, though we sociologists often neglect them. Distributive justice may be one of the conditions of group equilibrium.

**EXCHANGE AND SOCIAL STRUCTURE**

I shall end by reviewing almost the only study I am aware of that begins to show in detail how a stable and differentiated social structure in a real-life group might arise out of a process of exchange between members. This is Peter Blau's description of the behavior of sixteen agents in a federal law-enforcement agency.¹⁷

The agents had the duty of investigating firms and preparing reports on the firms' compliance with the law. Since the reports might lead to legal action against the firms, the agents had to prepare them carefully, in the proper form, and take strict account of the many regulations that might apply. The agents were often in doubt what they should do, and then they were supposed to take the question to their supervisor. This they were reluctant to do, for they naturally believed that thus confessing to him their inability to solve a problem would reflect on their competence, affect the official ratings he

made of their work, and so hurt their chances for promotion. So agents often asked other agents for help and advice, and, though this was nominally forbidden, the supervisor usually let it pass.

Blau ascertained the ratings the supervisor made of the agents, and he also asked the agents to rate one another. The two opinions agreed closely. Fewer agents were regarded as highly competent than were regarded as of middle or low competence; competence, or the ability to solve technical problems, was a fairly scarce good. One or two of the more competent agents would not give help and advice when asked, and so received few interactions and little liking. A man that will not exchange, that will not give you what he has when you need it, will not get from you the only thing you are, in this case, able to give him in return, your regard.

But most of the more competent agents were willing to give help, and of them Blau says:

A consultation can be considered an exchange of values: both participants gain something, and both have to pay a price. The questioning agent is enabled to perform better than he could otherwise have done, without exposing his difficulties to his supervisor. By asking for advice, he implicitly pays his respect to the superior proficiency of his colleague. This acknowledgment of superiority is the cost of receiving assistance. The consultant gains prestige, in return for which he is willing to devote some time to the consultation and permit it to disrupt his own work. The following remark of an agent illustrates this: “I like giving advice. It’s flattering, I suppose, if you feel that others come to you for advice.”

Blau goes on to say: “All agents liked being consulted, but the value of any one of very many consultations became deflated for experts, and the price they paid in frequent interruptions became inflated.” This implies that, the more prestige an agent received, the less was the increment of value of that prestige; the more advice an agent gave, the greater was the increment of cost of that advice, the cost lying precisely in the foregone value of time to do his own work. Blau suggests that something of the same sort was true of an agent who went to a more competent colleague for advice: the more often he went, the more costly to him, in feelings of inferiority, became any further request. “The repeated admission of his inability to solve his own problems . . . undermined the self-confidence of the worker and his standing in the group.”

The result was that the less competent agents went to the more competent ones for help less often than they might have done if the costs of repeated admissions of inferiority had been less high and that, while many agents sought out the few highly competent ones, no single agent sought out the latter much. Had they done so (to look at the exchange from the other side), the costs to the highly competent in interruptions to their own work would have become exorbitant. Yet the need of the less competent for help was still not fully satisfied. Under these circumstances they tended to turn for help to agents more nearly like themselves in competence. Though the help they got was not the most valuable, it was of a kind they could themselves return on occasion. With such agents they could exchange help and liking, without the exchange becoming on either side too great a confession of inferiority.

The highly competent agents tended to enter into exchanges, that is, to interact with many others. But, in the more equal exchanges I have just spoken of, less competent agents tended to pair off as partners. That is, they interacted with a smaller number of people, but interacted often with these few. I think I could show why pair relations in these more equal exchanges would be more economical for an agent than a wider distribution of favors. But perhaps I have gone far enough. The final pattern of this social structure was one in which a small number of highly competent agents exchanged advice for prestige with a large number of others less competent and in which the less

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18 Ibid., p. 108.
19 Ibid., p. 108.
20 Ibid., p. 109.
competent agents exchanged, in pairs and in trios, both help and liking on more nearly equal terms.

Blau shows, then, that a social structure in equilibrium might be the result of a process of exchanging behavior rewarding and costly in different degrees, in which the increment of reward and cost varied with the frequency of the behavior, that is, with the frequency of interaction. Note that the behavior of the agents seems also to have satisfied my second condition of equilibrium: the more competent agents took more responsibility for the work, either their own or others', than did the less competent ones, but they also got more for it in the way of prestige. I suspect that the same kind of explanation could be given for the structure of many "informal" groups.

SUMMARY

The current job of theory in small-group research is to make the connection between experimental and real-life studies, to consolidate the propositions that empirically hold good in the two fields, and to show how these propositions might be derived from a still more general set. One way of doing this job would be to revive and make more rigorous the oldest of theories of social behavior—social behavior as exchange.

Some of the statements of such a theory might be the following. Social behavior is an exchange of goods, material goods but also non-material ones, such as the symbols of approval or prestige. Persons that give much to others try to get much from them, and persons that get much from others are under pressure to give much to them. This process of influence tends to work out at equilibrium to a balance in the exchanges. For a person engaged in exchange, what he gives may be a cost to him, just as what he gets may be a reward, and his behavior changes less as profit, that is, reward less cost, tends to a maximum. Not only does he seek a maximum for himself, but he tries to see to it that no one in his group makes more profit than he does. The cost and the value of what he gives and of what he gets vary with the quantity of what he gives and gets. It is surprising how familiar these propositions are; it is surprising, too, how propositions about the dynamics of exchange can begin to generate the static thing we call "group structure" and, in so doing, generate also some of the propositions about group structure that students of real-life groups have stated.

In our unguarded moments we sociologists find words like "reward" and "cost" slipping into what we say. Human nature will break in upon even our most elaborate theories. But we seldom let it have its way with us and follow up systematically what these words imply. Of all our many "approaches" to social behavior, the one that sees it as an economy is the most neglected, and yet it is the one we use every moment of our lives—except when we write sociology.

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