

FOLKLAND

I

6-4 Notes, 1934-1943.

A study is proposed of the  
~~the~~ place of the economic system  
in human societies. The task  
is analytical and historical.  
It involves a theory of human  
economy as an individual  
system ~~and a~~ ~~pre-~~  
manual illustrated on the  
material of primitive  
economies, and a  
presentation of the ~~main~~  
phases of ~~economic~~  
history in the terms of  
the analysis. Analysis  
is ~~the~~ ~~result~~ of the  
analysis.

Accordingly, the study  
consists of two parts: ~~It~~ The  
~~part~~ first directs the  
problem in conceptual terms as  
illustrated by samples of taken  
from the economy of primitive  
peoples; the second ~~part~~ offers  
a brief outline of ~~the~~ ~~study~~.



Ec. = <sup>sc.</sup> social systems

Ec. systems = (a) abstraction of  
words of elements: stated  
{ goods, services produced  
and allocated in time  
and space.

(positive)  
~~the~~ human behavior  
in regard to these is seen  
both as an ec. activity  
abstract  
economic systems are  
necessary for the social  
human spirit

(b) levels ec. systems are (c) testamental  
(d) unit of institutional

grouped according to four  
names in which ec. activities  
are integrated.

(limited number) } Form of organization of ec. beh.  
of } of  
The history of human activities is  
to their dominance constituted  
an outline of the ec. activity.  
roughly the history of human  
activities (Ec. last)

~~Historical outline according  
to dominant forms of  
integration.~~

~~Historical outline according  
to dominant forms  
of integration.~~



~~a special~~ a description,  
~~outline~~ of general economic  
history from the angle of  
~~outlined~~ ~~at present~~ from the angle of the  
the place occupied by the economic  
system in the various societies.

# Part I: Analysis

## (a) Definitions

A study of the place of the economic system, in society, requires classification of some kinds of economic units.

The key definition is that of the word 'economic' which the further definition of ec. syst. ec. units, i.e. units of production or consumption of goods.

## (b) Types of accounts

Books that is used for a collection of the units which recorded such units to a manageable number of types of the economic system.

## (c) ~~Place of the economic system~~ (i.e. social)

The phrase 'place of the ec. syst. in society' should be given a definite meaning to this definition and are part of the

## (d) Corollary of (b) + (c)

Corollary of types of ec. units (b) and the delimitation of the place of the ec. syst. in society (c).

## (e) ~~Special features of the ec. syst.~~ Influence of economic units Major accounts are placed

units

the analysis of which are significant for the study



is a particular fact. <sup>head</sup>  
But ~~really not~~ <sup>is</sup> ~~concerns~~ <sup>not</sup> ~~but~~ <sup>is</sup> ~~as~~  
essence of ~~an~~ imitation of ~~such~~.  
The problem of the ~~numerical~~ <sup>numerical</sup> ~~lies~~  
in the fact that the resemblance is  
not to the substance ~~namely~~ <sup>exactly</sup>  
in the same ~~way~~, but rather  
to the ~~form~~ <sup>which</sup> ~~our~~ <sup>is</sup> ~~named~~  
takes in our ~~eye~~ - - -

(f) The ~~words~~ <sup>words</sup> ~~used~~  
~~are~~ <sup>never</sup> ~~disproportionately~~ <sup>disproportionately</sup> ~~affected~~ <sup>affected</sup> ~~by~~ <sup>by</sup> ~~the~~  
~~peculiarities~~ <sup>peculiarities</sup> ~~of~~ <sup>of</sup> ~~the~~ <sup>of</sup> ~~ec.~~ <sup>ec.</sup>  
concepts ~~or~~ <sup>our</sup> ~~the~~ <sup>the</sup> ~~understanding~~ <sup>understanding</sup>  
of essentially ~~non~~ - economic  
phenomena is exemplified <sup>in</sup>  
another instance, strictly

(g) Logical aspects

(A)

Ad page 11

~~Human economic~~  
~~events in the history of~~  
~~its numerous meanings~~  
Such of our past knowledge, it  
is believed, would be ~~not~~  
welcomed by <sup>many</sup> students of  
the social sciences. For it

might help them to find their  
way through the ~~interlocking~~  
overlapping ~~territories~~ fields  
which ~~constitute~~ the ~~field~~

economic analysis and  
institutional economics,  
industrial psychology and  
labour economics, cultural  
anthropology and  
general economic history,

general sociology and  
~~the~~ history of civilization,



survival on want satisfaction of a material order. Not ~~the~~ <sup>the</sup> wants but their satisfaction is <sup>material</sup> ~~primarily~~ in question. Though physical needs, ~~being~~ <sup>as they are</sup> recurrent and pressing, form a special group of our wants, ~~other~~ <sup>such other</sup> needs ~~such as spring from~~ <sup>as arising out of</sup> military, religious, esthetic or intellectual sources, must ~~be~~ <sup>also equally</sup> met through the instrumentality of material objects. This is the sphere of the economic. ~~It is~~ <sup>Here lies</sup> (one of the ~~causes~~ <sup>roots</sup> of man's indissoluble dependence upon Nature. In effect, no human society is conceivable that does not possess an economic system of some kind or other: some sort of <sup>organization of</sup> production, some way of distributing goods, some method of storing them for the future.

These ~~elements~~ <sup>of the economic system</sup>, however, ~~may~~ <sup>make up of many</sup> be comprised in ~~all~~ <sup>these parts</sup> ~~various~~ <sup>different elements</sup> institutions. The patterns, in which they are cast, may vary in space and time indefinitely.

The ~~task~~ <sup>task</sup> is to reduce the mosaic of economic institutions ~~which~~ <sup>which</sup> form the anthropologically and historically known systems, to a limited number of groups, and to ~~define~~ <sup>determine</sup> their position in human society as a whole.

(A) Forms of integration.

<sup>In order to</sup> form a functioning system the elements of the economy must be integrated. If no economy ~~can~~ <sup>can</sup> exist without 'division of labour' ~~obtaining in it, as it has been traditionally argued, even less is an~~ <sup>as is traditionally asserted</sup>

Our secondary task is to apply  
the ~~principles~~ of substance  
as joint ~~principles~~ economy  
as well as the place of  
trade ~~united~~ economy in ~~modern~~  
different societies.

§ The economic system, as  
with the three elements,  
may be envisaged in  
manufacturing  
institutions. The patterns  
in which they are cast,  
may indefinitely vary  
in time and space.





non-economic <sup>unless (and individual) singly</sup> ~~character~~ behavior may conform to sociological situations created by such relations.

Whether the motives of individuals participating in economic institutions, are economic or not, is, in every case, <sup>an open question</sup> a question of fact.

(C) Separate and submerged <sup>institutions</sup> economic systems ~~institutions~~. <sup>correlations</sup> appears to exist

A significant ~~connection~~ <sup>connection</sup> between forms of integration

and the place of the economic system in society ~~institutions~~

~~Specifically~~ Economic motives are found to be <sup>as distinct as</sup> ~~active~~ <sup>active</sup>

~~active~~ only when the ~~economic~~ economy is integrated through exchange, and <sup>(the related)</sup> ~~through~~ institutions ~~such as~~

trade, markets and money. Under <sup>the</sup> other forms of integration <sup>system is</sup> economic institutions are <sup>merged</sup> ~~submerged~~ in social

relations of a non-economic character. Sociological

situations ~~do not~~ tend to originate economic ~~non~~

<sup>Thus</sup> motives. Predominance of exchange is <sup>therefore</sup> ~~accompanied~~ accompanied by

a shift in the place of the economic system in society.

The economy, <sup>no longer</sup> ~~instead of being~~ embedded in other social r

relations, stands out as a separate and distinct institu

tional system, running on its ~~own~~ <sup>own</sup> motives and largely

determining the shape and functioning of the rest of soci

society. <sup>the rest of society</sup> ~~social organization~~ ~~is~~

~~conditions~~

Under these conditions there is an almost <sup>irresistible</sup> ~~universal~~ tendency to ~~refer~~ refer economic institutions and activities <sup>as motives</sup> to economic motives, wherever and whenever <sup>they</sup> occur. <sup>Such activities</sup>



<sup>the bias</sup> ~~thus introduced~~ <sup>induced</sup> into the study of economic history should be consistently guarded against. <sup>by the economic historian.</sup>

<sup>Some</sup> other correlations <sup>exist</sup> between <sup>of</sup> the manner in which the economic system is integrated and the motives on which it is carried on, are more obvious. Reciprocity is accompanied by <sup>a dual</sup> ~~symmetrical~~ social organizations in the absence of which it could not be practiced. Motives <sup>here</sup> mostly result from symmetrical sociological ~~abstractness~~ situations.

Redistribution <sup>again,</sup> depends for its functioning on centrality <sup>in</sup> ~~on~~ the body social. ~~For~~ ~~without~~ without some ~~degree~~ degree of centralisation of power its mechanism could not work. Motives are <sup>therefore</sup> ~~then, as a rule,~~ related to that aspect of social organization ~~on~~ which power is based.

Finally, <sup>as a form of integration</sup> householding presupposes the existence of <sup>a</sup> ~~the~~ closed group. Motives spring ~~directly~~ from the sociological organization of the group and ~~from~~ from the relations of the persons comprising it.

(D) Subsistence economy and prestige economy.

The place of the economic system is <sup>somewhat</sup> ~~ambiguous,~~ where apart from the economic system proper ensuring the provision of <sup>the</sup> ~~the~~ prime necessities of life i.e. (subsistence economy) there is also a prestige economy <sup>In the case of the latter, the</sup> ~~is~~ in evidence. ~~is~~ ~~an~~ ~~approved~~ approved motive is not <sup>st</sup> subsistence but prestige. ~~Both~~ ~~mean~~ ~~ends~~ ~~and~~ ~~are~~ ~~not~~ ~~alone~~ ~~but~~ ~~also~~ ~~the~~

In a prestige economy both ends and means ~~are~~ ~~not~~ ~~alone~~ ~~but~~ ~~also~~ ~~the~~

~~... are~~ <sup>have</sup> conventional.

~~... yet~~ (the re is usually) <sup>a</sup> complex connection between subsistence and prestige <sup>economy</sup>. The latter may act as a general stimulant to the former. <sup>(Manus)</sup> It may be superseded <sup>posed</sup> on it, in the way <sup>in which</sup> wealthy gamblers often risk their own <sup>loss</sup> without necessarily encroaching on the livelihood of the poor. (Kwakiutl). <sup>e</sup> Prestige economy may be prevalent to the point of completely dominating <sup>e</sup> subsistence economy. (Tolowa).

Any form of integration may <sup>harbor a prestige economy</sup> comprise these types of economies. <sup>of the Trobriandians forms part of</sup> The Kula trade <sup>is famous</sup> fits into a prestige economy integrated by reciprocity. The provincial bourgeois <sup>cial</sup> of Antonine Rome practiced municipal munificence on an <sup>ay</sup> spectacular scale in a predominantly redistributive <sup>similar economy gives the frame for the potlatch.</sup> human economy. <sup>Even</sup> Modern exchange economy ~~on the other~~ <sup>hand</sup> was described by Veblen in terms of prestige economy <sup>though I feel</sup> (with doubt ~~ful~~ justification).

(E). Trade, markets and money.

The place of trade, markets and money in human societies <sup>ties</sup> ~~is~~ at the various stages of its development is obscured by <sup>to</sup> an understandable tendency to think in terms of exchange <sup>as</sup> -economy. <sup>Yet</sup> The concepts of trade, markets and money derived from economic theory are almost useless outside the confines of our present system. For only under the conditions of an exchange economy are the institutions of trade, market and money sufficiently



similar to their theoretical concepts ~~development~~  
patterned on such an economy to offer a suitable language  
language of discourse.

*Consequently, in order*  
~~In~~ order to reconstruct the history of the institutions of trade, markets and money elaborate ~~concepts~~  
conceptual methods are required. The traditional

four uses of money, for instance, which seem to us  
*usually* ~~logically~~ interdependent, may have been institutional

lived in ~~different~~ primitive societies  
*and independently of one another,*  
separately. (In effect, money as a means of payment preceded

the appearance of Money ~~may~~  
preceded in time money as a ~~mode~~ of exchange, ~~it~~  
*have* ~~may~~ even developed into a standard of value without  
previous

~~any~~ considerable use of it as a means of exchange.  
Facts ~~from~~ these would be incomprehensible

~~At present~~ ~~it is~~ ~~impossible~~ ~~to~~ ~~draw~~ ~~any~~ ~~conclusions~~ ~~apart~~ ~~from~~ ~~redistribution~~  
(such as) *(of course)* ~~some~~ ~~other~~ features of ~~the~~

~~the~~ economies in question, *early civilizations.*

(F) Sociological aspects.

The relative position occupied by the economic, the sexual, the political, the religious etc systems *may be* ~~are~~ of ~~prime~~ *great* importance for the place of the

economic system in society. De facto disposal of goods and *(legally called property)* services, for instance, (usually described

as the ~~property~~ property system) is ~~mostly~~ a function of the political and ~~the~~ religious system, *maintaining*

*The!* Also ~~human~~ *(also in the last analysis)* laws of social change are as a rule relative to the overriding interests of society, ~~as~~ a

as a whole. But the ~~characteristics~~ <sup>however, ~~ultimately~~</sup> that interest or ~~may~~ <sup>or</sup> may derive from security, salvation, ~~just as well as from~~ <sup>economic</sup> ~~as it may from~~ the need for material ~~survival~~ <sup>material</sup>. The economic is only one of man's ~~major~~ <sup>major</sup> interests. The ~~relative importance of the~~ <sup>relative importance of the</sup> ~~various major interests~~ <sup>various major interests</sup> depends on ~~the situation~~ <sup>the situation</sup>. The ~~place~~ <sup>development ultimate</sup> of the economic system in society, is ~~from this angle~~ <sup>from this angle</sup> a function of the ~~total~~ <sup>total</sup> situation of society as a whole.

(9) Determinism

~~Ecological~~ <sup>Ecological</sup> factors have an all-round ~~primary~~ <sup>primary</sup> influence ~~on~~ <sup>on</sup> human affairs. Within the ~~limits~~ <sup>limits</sup> thus set (but) ~~the~~ <sup>the</sup> ~~limits~~ <sup>limits</sup> thus set the economic ~~is~~ <sup>is</sup> not a ~~determinative~~ <sup>determinative</sup> ~~one~~ <sup>one</sup> ~~inside~~ <sup>inside</sup> these limits.

The ~~tempting~~ <sup>tempting</sup> false appearance of such ~~determination~~ <sup>determination</sup> is called ~~both~~ <sup>both</sup> by market-economy, i.e. an institutional system under which the economy is integrated through exchange. Here social organization is ~~enslaved~~ <sup>enslaved</sup> in the ~~working of~~ <sup>working of</sup> market mechanism. The ~~working of~~ <sup>working of</sup> market mechanism ~~is~~ <sup>is</sup> ~~the~~ <sup>the</sup> ~~shape and functioning of~~ <sup>shape and functioning of</sup> much of the rest of society. This ~~is~~ <sup>is</sup> a ~~peculiar~~ <sup>peculiar</sup> ~~feature~~ <sup>feature</sup> of a market economy; it does not

and outside of it.



Culture contact

BUELL (Rivers) : The Native problem in Afr. '28.

LOCKE ESTERH : Shift & de-acculturation & acculturation.

W.H.R. RIVERS :

MARK MEAD : The Changing Culture ...

Dixon & Ekshoff : Econ. & cultural change Indian '38

John Collier : Introd to: The Changing

(Olin LaFarge (ed.)) 1942

Pitt-Rivers : in "Man" the 20th

MARK L.P. : The Afr. people in the 20th

MARK L.P. : A Study of Cultural Contact  
"Africa" Oct '34 Vol. IV. 4/5

Pitt-Rivers : in (orig.) Saunders.

Radclyffe-Brown : The Melanesian

adaptation: ext & internal 1933

Murphy & Sybilidis E.P.C.

hints & Black White 394

destructive tendency of  
Stud. of Man. p. 2.

Social psych  
Aslanje

Economic aspects

Charles S. Johnson : Race Relations &  
Social Change '39.

A. LESSER : Pawnee Investor

E. Staley : has the private industry

M. Mead : The Changing Culture of  
Ind. Tribe

R. Linton : Study of Man '19

MARK L.P. : Afr. People in the 20th

MUNTZ : "Tobacco" p. 5

Group's organization on which ~~control~~ power is based.

~~Final~~ <sup>presupposes</sup> Final, householding, ~~is closely related to~~ <sup>is</sup> the existence of the closed group, involving ~~the~~ arising directly from the <sup>sociological</sup> organization of the group and from the relations of the persons comprising it.

(D) Subsistence economy and prestige economy & economy.

The place of the ~~economy~~ <sup>economy</sup> system ~~is to make a~~ <sup>is to make a</sup> ~~high point of~~ <sup>high point of</sup> ~~ambition~~ (as defined by ~~the~~ <sup>the</sup> ~~subject~~ <sup>subject</sup>) ~~is to make a high~~ <sup>is to make a high</sup> ~~ambition~~ <sup>ambitions</sup> where the ~~economy~~ <sup>economy</sup> system proper is ~~apart from~~ <sup>apart from</sup> there is present also present a pseudo economy ~~ensuring~~ <sup>ensuring</sup> the ~~provision~~ <sup>provision</sup> of the prime necessities of life. There is ~~also present~~ <sup>also present</sup> a pseudo economy. The ~~fact~~ <sup>fact</sup> is a need by ~~the~~ <sup>the</sup> ~~subject~~ <sup>subject</sup> ~~is the~~ <sup>is the</sup> term used for the ~~first~~ <sup>first</sup> ~~prize~~ <sup>prize</sup> ~~economy~~ <sup>economy</sup> for the ~~latter~~ <sup>latter</sup>. ~~Its~~ <sup>Its</sup> ~~approach~~ <sup>approach</sup> ~~relative~~ <sup>relative</sup> is ~~culturally~~ <sup>culturally</sup> ~~in evidence~~ <sup>in evidence</sup>.

9 (Subsistence economy)



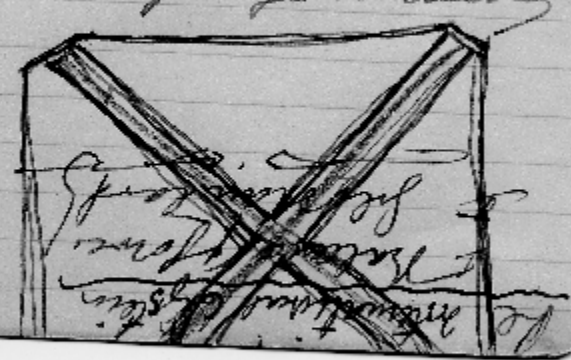
Spontaneous where  
 approved neither ~~is~~ not sublimated  
 but prolix. Both ~~the~~ aim &  
 the means of attaining it  
 are conventional. Yet there is  
 usually something  
 unexampled connection between  
 sublimance and prolixity.  
 The latter may ~~act~~ <sup>be</sup> a  
 as general stimulant to the process. (Mauve)

It may be superposed on  
 it ~~in~~ in the way ~~but~~  
 are upper class ~~have~~ ~~game~~ ~~are~~  
 gamblers ~~with~~ ~~their~~ ~~belong~~ ~~property~~  
 own ~~without~~ ~~requiring~~ ~~encroaching~~  
 on the livelihood of the poor.

~~Thus in the case one also to either~~  
~~one or the other may predominate~~  
 in which case the other (Kulak) <sup>is</sup> ~~is~~  
 dominant over sublimance economy  
 to the point of completely dominating  
 social organization (Kulak)

Any form of integration  
 may be ~~combined~~ ~~with~~ ~~these~~ ~~two~~  
 may ~~combine~~ ~~the~~ ~~organization~~ Two  
 types of economies. The Kula trade  
~~is~~ ~~a~~ ~~prolix~~ ~~economy~~ ~~regulated~~  
 by reciprocity. The prolix economy  
 of the provincial

isolation  
 of sublimance  
 Rome ~~is~~ ~~itself~~ ~~is~~ ~~in~~ ~~itself~~  
 itself is successful  
 in its own



(A) <sup>positions</sup> occupied by  
 the relative ~~places~~ of the economic,  
 the political, the ~~social~~ <sup>religious</sup> etc systems in society  
 are of ~~decisive~~ <sup>crucial</sup> importance  
 for

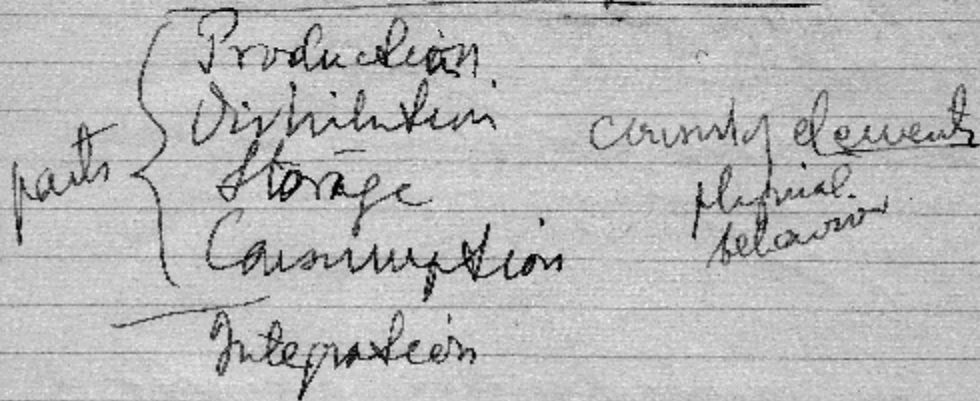
The relative positions occupied by  
 the economic, the social, the  
 political, the religious etc systems  
 in society are ~~of crucial importance~~  
 important for the ~~of~~ <sup>of</sup> prime  
 importance for the place of the  
 economic systems in society.

Then the ~~fall~~ <sup>disposal</sup> of  
 goods & services (of ~~importance~~)  
 is a function of ~~political~~  
<sup>open</sup> ~~positions~~ the political or the  
 religious systems (of ~~the~~ <sup>of</sup> ~~decisive~~  
 or the ~~primary~~ <sup>primary</sup> systems)  
 through

(equally apply to ~~the~~ <sup>types</sup> ~~fourth~~ <sup>types</sup> ~~of~~ <sup>types</sup>  
 economic systems.)



# Economic system



The loci points at which these elements can be found in the system in question, defines the place of the econ system in society.

- (a) The ~~parts~~ of the econ system is embodied in multifarious institutions, which therefore contain the ~~the~~ composing elements. (d) actual <sup>the</sup> organization of actual disposal of goods + services

Place of the econ system is determined

(a) technological stage

(b) actual motives from which individuals participate in the econ institutions

(c) approved motive

recently accorded by virtue of which,  
human ex. the human sciences  
must be integrated in the activities  
of participants must be treated  
again.

These forms of integration <sup>different</sup> can be reduced  
to a ~~single~~ <sup>single</sup> form. In effect, we must  
maintain ~~joint~~ <sup>joint</sup> forms which we call here  
call regions of, reducible  
undivided and exchange. They  
are not mutual exclusive, we are  
of the ~~others~~ <sup>others</sup> ~~to~~ <sup>to</sup> ~~most~~ <sup>most</sup> in practice <sup>pre-dominant</sup>  
~~predominant~~ <sup>to</sup> make ~~use~~ <sup>use</sup>  
- ~~from~~ <sup>from</sup> ~~possible~~ <sup>possible</sup> by ~~predominance~~ <sup>predominance</sup>  
~~to~~ <sup>to</sup> ~~use~~ <sup>use</sup> ~~from~~ <sup>from</sup> ~~is~~ <sup>is</sup> ~~that~~ <sup>that</sup> ~~for~~ <sup>for</sup> ~~which~~ <sup>which</sup>  
The division for the recognition of  
life is extended ~~to~~ <sup>to</sup> this ~~the~~ <sup>the</sup>  
dominant ~~institution~~ <sup>institution</sup> forms of  
integration.



The subject of the book is  
the place of the economic  
system in human societies.  
Its justification ~~is~~  
lies in the second -  
historical - part which  
offers a simplified and yet  
fairly life-like sequence  
of the development  
of economic institutions.  
The main periods are not  
meant to represent stages  
of economic progress, nor  
are they in themselves  
features mutually  
exclusive.

The original use of the book in the plan of  
the economic system in American  
history. This ~~is~~ <sup>the</sup> second part  
~~offers~~ <sup>offers</sup> an ~~account~~ <sup>account</sup> ~~of~~ <sup>of</sup> the  
the justification of the part has  
varied, since it ~~shows~~ <sup>offers</sup>  
an account a fairly simple  
outline of the history of  
institutions, ~~with~~ <sup>and</sup> ~~the~~ <sup>yet</sup>  
~~recapitulation~~ <sup>recapitulation</sup> ~~of~~ <sup>of</sup> ~~the~~ <sup>the</sup>  
~~various~~ <sup>various</sup> ~~periods~~ <sup>periods</sup> ~~of~~ <sup>of</sup> ~~the~~ <sup>the</sup>  
~~history~~ <sup>history</sup>

It is the justification of ~~the~~ <sup>the</sup>  
subject to the level of an  
organized discipline. ~~is~~ <sup>lies</sup>  
in ~~the~~ <sup>the</sup> second part - his ~~hand~~ <sup>hand</sup>-  
part; which offers a fairly an  
simple and yet ~~completely~~ <sup>completely</sup>  
~~account~~ <sup>account</sup> ~~of~~ <sup>of</sup> the  
development of ~~economic~~ <sup>economic</sup>  
institutions, featuring some  
a simplified ~~and~~ <sup>and</sup> ~~yet~~ <sup>yet</sup> ~~not~~ <sup>not</sup> ~~fairly~~ <sup>fairly</sup>  
quite unlife-like ~~picture~~ <sup>picture</sup> of  
the development of ~~economic~~ <sup>economic</sup>  
institutions. ~~Works~~ <sup>Works</sup> ~~as~~ <sup>as</sup> ~~the~~ <sup>the</sup>  
main periods are not meant  
to ~~not~~ <sup>not</sup> represent stages of ~~economic~~ <sup>economic</sup>  
progress, ~~nor~~ <sup>nor</sup> are ~~the~~ <sup>the</sup> ~~features~~ <sup>features</sup>  
~~the~~ <sup>the</sup> ~~features~~ <sup>features</sup> ~~of~~ <sup>of</sup> ~~the~~ <sup>the</sup>  
their features mutually exclusive.  
(~~in~~ <sup>in</sup> ~~the~~ <sup>the</sup> ~~book~~ <sup>book</sup> ~~they~~ <sup>they</sup> ~~themselves~~ <sup>themselves</sup>)