

ASSA 2020, San Diego

# Contexts of Money and Gift

## Paper Session

Friday, Jan. 3, 2020 2:30 PM - 4:30 PM

Manchester Grand Hyatt San Diego, Cortez Hill B  
Hosted By: Association for Evolutionary Economics

**Chair:** Zdravka Todorova, Wright State University

## Discussants:

Ann E. Davis  
Marist College

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## Rai Stones and Banknotes: An Institutional Understanding of Micronesian Stone Money

Scott McConnell  
Eastern Oregon University

## Abstract

The debate around money's origins is alive and well. The 'metallist' tradition that has dominated economists' thinking on the history of money alleges that the value of money is driven by its intrinsic qualities. This intrinsic value is found most readily in money coined from precious metals. Money, therefore, has its origins in being developed as a transactions cost reducing technical achievement that eases barter transactions. The 'chartalist' view of money, which arises counter to the metallist vision, contends that money is a 'token' or symbol of a debtor and creditor relationship that is founded upon social hierarchy. Money, therefore does not arise from precious metals, but rather, the precious metals were one of many tokens that could have been used to symbolize the debt. This paper will attempt to place the famous Yapese Rai Stone somewhere on this spectrum between metallist and chartalist, carefully exploring the history of the Rai Stone and how it functions within Yapese society, while considering aspects of the two conceptions of the history of money and considering what the Rai Stones and Yap might illuminate for this debate on the nature of money.

# **Re-embedding the Economy - El Tumin, a Complementary Currency in Mexican Communities**

Karol Gil-Vásquez  
Nichols College

## **Abstract**

Contrasting the Metalist Theory of Money (Menger 1892), the State Theory of Money (Lerner 1947), considers money as a social institution, its origins are found in the state. The institution of money is a credit-debt relationship that evolves through time into a unit of account. The transformative process of turning so-called primitive money into modern money constitutes a monetary system's spectrum of institutional change (Graber 2011). Subjected to market expansion, money's evolutionary path depends on the degree of commodification of land and labor, which is specific for every society. Over last decades, despite neoliberal capitalism's hegemony, 'primitive' money remains valid in countries like Mexico through alternative social contracts that accommodate the continuous existence of reciprocal as opposed to credit-debt relationships, of community as opposed to aggregation of individuals, and solidarity as opposed to competition. Furthermore, the functioning of 'primitive' monetary systems has been intermittently supported by governmental policies and global governance's international organisms like the United Nations that protect the cultural fabric of non-market, ancient societies. The paper's main objective is analyzing, under the context of the State Theory of Money, El Tumin, a social currency that stems primarily in impoverished rural Mexican communities to incentivize economic activity and resolve issues of unemployment and poverty. Such analysis aims at outlining El Tumin's institutional incubators to identify the practices and measures at the community level that lead to potentially developing a 'solidarity' economy in rural Mexico.

## **The Origins of Money in Ancient Greece**

Alla Semenova  
State University of New York-Potsdam

## **Abstract**

This paper explores the historical origins of money within the archaic Greek institution of 'distributive justice'. Purporting to allocate to each their 'due share', money emerged as a means of recompense issued by the central public authority to the underlying population. It is emphasized that the origins of money in Greece had little to do with commerce and trade. Rather, the context of money's origins was political, and the evolution of central public authority played a key role in the evolution of money. The political origins of money preceded the development of markets and exchange. The paper concludes by examining the applicability of the Chartalist perspective to the evidence of ancient Greek money, as well as drawing the implications of this historical research for present day discourse on monetary and fiscal policy.

# **Dowry in South Asia: The Efflorescence of a Non-Reciprocal Gift System**

Kalpana Khanal  
Nichols College

Ruchira Sen  
Jindal Global University

## **Abstract**

‘Dowry’ refers to marriage gifts. Yet dowry gifts are not ‘free gifts’. Instead, dowry is an institution within the 'system of total services' that is instrumental to the development of the marriage contract. As an institution, dowry has historically evolved alongside the development of other institutions such as money and the emergence of land as a commodity. This paper is concerned with the evolution of dowry in South Asia. While dowry is by no means, peculiar to South Asia, dowry in South Asia bears certain unique features. Firstly, unlike Europe where dowry has become negligible over time, dowry payments in South Asia are escalating. 'Dowry demand' is often accompanied by violence and dowry related violence has become significant in proportion to the total incidents of violence against women in the region. Secondly, since medieval times characterized by self-sufficient villages organized based on the caste system, dowry in South Asia has been non-reciprocal. Therein lies the question - why do the families of brides give dowry in the first place? The question bears powerful implications for the theory of the gift. In *Gifts and Commodities*, C.A. Gregory (2015) was concerned with the 'efflorescence' of gift-exchange in the modern capitalist economy. This paper will examine the efflorescence of dowry as a system of non-reciprocal gift giving alongside the emergence and growth of a modern, capitalist economy. It will also extend the institutional theory of the gift to addressing the problem of violence against women that has accompanied dowry demands in contemporary times.