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# Bringing Emotions into Social Exchange Theory

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## Keywords

social exchange, emotion, social formation, bargaining, negotiation power

## Disciplines

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## Abstract

We analyze and review how research on emotion and emotional phenomena can elaborate and improve contemporary social exchange theory. After identifying six approaches from the psychology and sociology of emotion, we illustrate how these ideas bear on the context, process, and outcome of exchange in networks and groups. The paper reviews the current state of the field, develops testable hypotheses for empirical study, and provides specific suggestions for developing links between theories of emotion and theories of exchange.

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### Introduction

Social exchange theory assumes self-interested actors who transact with other self-interested actors to accomplish individual goals that they cannot achieve alone. *Self-interest* and *interdependence* are central properties of social exchange. Whether it is two lovers who share a warm and mutual affection, or two corporations who pool resources to generate a new product, the basic form of interaction remains the same. Two or more actors, each of whom has something of value to the other, decide whether to exchange and in what amounts. Such actors are normally viewed as unemotional beings who have information, cognitively process it, and make decisions concerning the pattern and nature of exchange with others. In this paper we explore how emotions can be brought into social exchange theory.

Within the exchange tradition, emotions are a relatively vacuous “catchall” category for phenomena that cannot be subsumed by behavioral or rational choice principles. The classic works on exchange contain references to emotion of various sorts (Thibaut & Kelley 1959, Homans 1961, Blau 1964) and even sustained concern with some emotionally tinged phenomena, such as “sentiment” in Homans (1961). In the related literature on justice and equity, emotional reactions are assumed to be more important, but even there, they are not theorized to any great extent (Molm & Cook 1995, Hegtvedt & Markovsky 1995). This is true of most sociological theories and traditions; in fact, it is only in the last 10 to 15 years that emotions became a prominent research area in the discipline (Kemper 1990a,b, Gordon 1981, Scheff 1983, Thoits 1989).

A close examination of many common exchange relations suggests that emotions both enter and pervade social exchange processes. Friendship relations are often propelled by strong affection or feelings of joy; corporate mergers may result from fear or anger; economic

partnerships may thrive because they produce positive feelings such as confidence or pleasure. The context of exchange may have a discernible emotional tone, invoke particular emotion rules, and generate corrective measures when emotions surface or are expressed (Hochschild 1979). The processes of exchange may cause individuals to feel good, satisfied, relieved, excited, and so forth (Lawler & Yoon 1996). The outcome of social exchange may generate pride or shame directed at one's self (Scheff 1990a) or anger or gratitude directed toward the other (Weiner 1986). We believe that emotional dynamics have a more central role in social exchange than typically assumed. This is the motivation for writing this paper.

Emotion is neglected primarily because of metatheoretical conceptions at the core of exchange theory, in particular, behavioral and rational choice assumptions about actors. From a behavioral (reinforcement) perspective, emotions are essentially epiphenomenal, that is, inseparable from reinforcements and punishments (Homans 1961, Emerson 1972a,b). As rational-choice principles were introduced into exchange theorizing, it became increasingly clear that actors who engage in "cognitive work" may not strictly conform to either rational choice or reinforcement principles. One reason is judgmental biases (see Molm 1994, Plous 1993). Exchange theorists have been willing to incorporate the idea of an information-processing, cognizing actor but slow to introduce the idea of an emoting actor. There are, however, exceptions. Several recent papers examine the role of emotion in exchange (see Lovaglia 1995, Molm & Cook 1995, Willer et al 1997), and interest among rational choice theorists is revealed by a 1993 special issue of *Rationality and Society* on emotion and choice.

To fill the void, we offer a selective review and analysis of the juxtaposition between emotion theories and exchange theories. The purpose is to identify avenues by which emotions and emotional processes can enrich or improve exchange theorizing and research. We pose

questions that warrant attention, provide answers using work from both emotion and exchange traditions, and apply select theories of emotion to social exchange phenomena. In general terms we are concerned with restricted exchange, broadly defined as a direct exchange involving contingencies between actors' behaviors (Ekeh 1974). Emerson (1981) identified two kinds of restricted exchange—reciprocal and negotiated. Reciprocal exchange entails sequential giving with unspecified terms and obligations; negotiated exchange entails an agreement with specified terms and obligations. In each case, exchange is a joint task and actors have an incentive to accomplish or consummate it in some fashion.

The organization of this paper is based on three main points of entry for emotion phenomena into social exchange—exchange context, exchange process, and exchange outcomes. Emotions are part of and can alter the context of exchange as well as be caused and produced by the exchange process and/or the results of negotiated exchanges. Before turning to our primary task, however, it is important to review recent efforts in sociology and psychology to develop the concept and measurement of emotion.

### **Conceptualizing Emotions**

Broadly, we define an emotion as a relatively short-lived positive or negative evaluative state that has neurological and cognitive elements (Schachter & Singer 1962, Izard 1991). Emotions are internal states that are not under the complete control of actors. We agree that the question is, what people do with them? There are many unanswered questions about the nature and definition of emotions. How many emotions are there (Kemper 1987)? Are some emotions more fundamental and others more derivative (Watson & Tellegen 1985, Izard 1991, Kemper 1987, Scheff 1990b)? Are emotions culturally specific or universal (Lutz 1988, Izard 1971,

Scherer 1984, 1988)? Our purpose is not to address all or even many of these issues directly, but to help social-exchange researchers cut a path through such sticky conceptual issues.

Over the last ten or so years, psychologists have attempted to develop concepts and measures of emotion based on the words people use to describe their own feelings and those of others. This approach, which might be termed psychometric, has addressed two conceptual issues: first, whether there are a small number of dimensions (two or three) that can concisely capture fundamental emotions beneath the apparent diversity of feeling-words used by people themselves; second, whether some emotions are categorically different than others.<sup>1</sup>

These questions have inspired two competing models. One indicates that emotions lie on continua, that is, they vary as a matter of degree over a few fundamental dimensions (Guttman 1954, Russell 1980, Watson & Tellegen 1985, Russell et al 1989, Mano 1991). Perhaps the best-known solution here is Russell's (1980) circumplex model of affect, which maps the universe of emotion as points on a circle in two-dimensional bipolar space. One dimension of the circumplex captures emotional valence (pleasure-displeasure); the other dimension is oriented perpendicular to the first and reflects the level of arousal (high-low). Although some debate has arisen over how the dimensions should be named (Larsen & Diener 1992), and how many dimensions are optimal (Osgood 1966, Russell & Mehrabian 1977), there is considerable evidence that many people do organize their emotions in this way (Russell 1980, 1983, 1991, Watson & Tellegen 1985, Watson et al 1984, Russell & Ridgeway 1983, Haslam 1995).

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<sup>1</sup> There are many debates in this literature, most of which are beyond the scope of our discussion. For example, emotions have been construed as (a) continuously graded or sharp categories (Russell 1980, Clore et al 1987), (b) infused with cognition or separate systems (Lazarus 1982, 1984, 1995, Zajonc 1980, 1984), (c) culturally specific or mostly pancultural (Lutz 1988, Izard 1971, Shaver et al 1992), (d) accompanied by diffuse or specific physiological arousal (Schachter & Singer 1962, Levenson et al 1992), and the list goes on.

The second model stipulates that the experience of emotion is not as continuous or seamless as the circumplex might suggest (Clore et al 1987, Oatley & Johnson-Laird 1987, Ekman 1980, 1992, Izard 1977, Batra & Holbrook 1990, Osgood 1966, Storm & Storm 1987, Wierzbicka 1992). These researchers argue that emotions are discrete events, and that the circumplex model can be decomposed into a small number of distinct regions that represent fundamental emotions, each qualitatively different from the others. The usual suspects for a list of fundamental or basic emotions include anger, fear, joy or pleasure, frustration, and sadness; such emotions ostensibly differ along an important dimension that the circumplex does not capture. For example, Larsen & Diener (1992) point out that anger and fear are very close to one another on the circumplex (i.e., both emotions are negative and active) and yet these emotions tend to result in very different behaviors. Whereas anger may lead a person to fight, fear might cause a person to retreat. Frijda and associates (Frijda 1986, Frijda et al 1989) provide evidence that different emotions do in fact activate different levels of action readiness.

The above suggests that all emotions vary along a few abstract dimensions, but also that each emotion may have a few concrete properties that make it unique from others. We see an inherent tradeoff between continuous models that focus on the abstract or general properties of emotion, and discrete models that emphasize the more concrete or specific aspects. Neither model is necessarily better than the other; the question becomes, what is the theoretical payoff for a general versus specific concept of emotion? In the social exchange literature, which is still relatively young, we suggest that the circumplex model provides researchers with a good abstract account of the emotional universe overall, and it also has the advantage of pointing to dimensions that intuitively seem important to social exchange (e.g. pleasure and arousal). The

processes and outcomes of exchange can and do generate variable degrees of pleasure and arousal in the form of excitement (Lawler & Yoon 1996).

### **Approaches to Emotion and Social Exchange**

What emotion theories or frameworks have implications for exchange contexts, processes, or outcomes? There are innumerable frameworks for classifying or grouping the types of emotion or emotional processes; in fact, there has been an outpouring of such efforts in the last 10 to 15 years. Kemper has contributed a number of important works, including his contrast of fundamental emotions that are neurologically wired versus other emotions that are socially constructed (Kemper 1978, 1987). Averill (1992:2) developed a comprehensive, multilevel, 15-category classification of variables that cause emotional behaviors. Izard (1991) revised his differentiated-emotions theory, which bears some resemblance to Kemper's notion of fundamental emotions. Ortony and associates (1988) developed a framework that argues for three classes of emotion based on the cognitive object involved: events, actions, or objects. Sociological researchers such as Hochschild (1979, 1983), Clark (1990), Heise (1979), and Collins (1981, 1989) developed conceptual distinctions directed at a particular theoretical problem or domain.

Based on our analysis of these frameworks we identify six approaches to the study of emotion, two for each facet of exchange: context, process, and outcome. In the case of exchange context, a cultural-normative approach (Hochschild 1990) treats emotions as part of the normative context, while a structural-relational approach (Collins 1975, Kemper 1978) treats actors' social positions as fundamental causes of emotions and feelings. In the case of exchange process, a social-cognitive perspective (Isen 1987, Bower 1991) views emotions as shaping actors' perceptions and interpretations of the other and situation, and sensory-informational

theories (Heise 1979, Frank 1988) view emotions as important signals (or bits of information) that are displayed to actors and others. Finally, for exchange outcomes, a social-attribution approach (Weiner 1985, 1986) analyzes the emotions produced by actors' attributions of credit/blame for good/bad outcomes, and the social-formations approach (Collins 1981, Lawler & Yoon 1996) indicates how emotional reactions to exchange outcomes impact relations over time. Each approach poses a unique set of theoretical questions. We briefly introduce these below and explore them more deeply in the sections that follow.

To analyze the exchange context, the cultural-normative approach starts from the premise that any social context invokes expectations about what sort of emotions are appropriate to experience and, in particular, to express in a visible or public manner (Hochschild 1990, Clark 1990, Thoits 1990). For example, the norms for displaying emotions at a funeral, wedding, or job interview are socially defined and circumscribed. Behavior that is consistent with the prevailing emotional norms both affirms and reestablishes those norms while fostering an emotional tone, i.e., a prevailing emotional environment, that is salient to new entrants. Thus, exchange contexts should have norms for displaying emotions in addition to an emotional tone tied to the particular exchange context.

Taking a different slice of the exchange context, structural/relational approaches begin from the premise that social positions impact the emotions people are likely to feel. The core idea is captured by Collins' (1975) theory of social stratification, which essentially claims that giving orders makes people feel good while taking orders makes people feel bad. This may be due to different capabilities to generate rewards and avoid costs, the degree of respect and social esteem they receive from others, and/or the overall sense of control they have in the particular social context. Such explanations have stimulated exchange theorists to address a variety of

questions linking power, status, and emotion (Kemper 1978, 1987, Kemper & Collins 1990, Ridgeway & Johnson 1990, Lovaglia & Houser 1996).

To analyze the process of exchange, sensory-informational approaches begin with the notion that emotions are signals to self (Heise 1966, 1987) and/or to others (Frank 1988, 1993). For example, feeling bad as a result of violating an emotion norm is an internal signal that will likely produce restitutive action such as an apology. Issues for exchange theories include the role of emotions in signaling information to the actor and determining when such emotions are displayed to others.

From a social cognitive approach, emotions modify or adjust cognitions central to the exchange processes. A general question is how do emotional states influence actors' perceptions of each other, their predictions for future encounters, and the way they deal with uncertainty? For example, given that exchange contexts inherently involve uncertainty, emotions that promote more optimistic rather than more pessimistic information processing can have important consequences for the exchange process and outcomes.

To analyze exchange outcomes, a social-attribution approach starts from the notion that attributions of credit or blame to self, the other, or the situation are likely to have emotional effects on actors. Specific emotions (gratitude, pity, shame, anger, pride, etc) should vary with the nature of the consequences (positive-negative) and attribution target (self, other, situation). For example, credit to self yields pride while blame to other yields anger (Weiner 1985). It is also possible that attributions are directed at social relationships or larger social units as a specific component of the situation (Hewstone 1989).

This means that as a joint task, social exchange may generate social attributions, which have effects on the order, cohesion, and solidarity of relations and groups. The social-formations

approach treats emotions as integral to the process through which relationships and groups form and remain salient (Collins 1975, Lawler & Yoon 1993, 1996). This idea can be traced to Durkheim's classic notion, abstracted as follows: When people engage in joint activity with others, they tend to experience an uplift (elation) which heightens their sense of collective or group membership. Joint activity reaffirms and strengthens social solidarity because of the shared emotions and feelings it produces. From this perspective it is important to understand how and when social exchange produces shared positive feelings and whether those feelings result in stronger affective attachments to an exchange relation or network.

These six approaches capture key elements of the exchange context, exchange process, and exchange outcomes. These elements hang together in a systematic way as shown in Figure 1. Within the exchange context, structural-relational conditions are fundamental causes of emotions actually felt and emotion norms shape their expression or display. Within the exchange process, emotions have signaling functions for self and for others, and they may bias how members perceive one another in present and future interaction. Exchange outcomes—such as the frequency and nature of exchange—generate another layer of emotions that can increase/decrease social cohesion when the emotions are attributed to exchange relations, networks, or groups. Each of these six theoretical themes is elaborated in the next three sections.

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Insert Fig. 1 about here

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## Exchange Context and Emotions

### Cultural/Normative Approaches

From this perspective, emotions are socially constructed, displayed, and managed in the context of the various social roles, memberships, identities, or categories that individuals occupy (Clark 1990, Gordon 1990). This idea can be traced to the symbolic interactionism of Goffman (1959), who theorized that social situations entail scripts for acceptable behavior. A script is a recipe or norm for appropriate behavior in a given situation. Emotional reactions often follow scripts, but more importantly, emotion norms can be construed as scripts. For example, it is both acceptable and expected to experience and display emotion when a musical piece is concluded at an orchestra concert. The same expression and display in the middle of the first movement, however, is a stern violation in this context. A good deal of the theoretical and empirical work in this tradition has focused on situations that elicit a particular emotion but prohibit it from being displayed. In this sense, the cultural/normative approach maintains a focus on the interplay between social context (e.g., roles and identities) and outcomes (e.g., emotional displays). When there is a discrepancy between the emotions we experience and those we may appropriately display, individuals experience what Thoits (1985, 1990) calls “emotional deviance” and may attempt to regulate their expression through what Hochschild (1983) terms “emotion management.”

Hochschild (1975, 1979, 1983) observed that emotions and their rules for display occur in the context of norms that are implicitly or explicitly attached to a given job. In her book, *The Managed Heart*, Hochschild (1983) documents that flight attendants (*a*) often experience strong emotions as a result of rude travelers, and (*b*) are trained to inhibit their true feelings. The result is that individuals want to express emotions but cannot, and thus they manage their emotions to

alleviate the tension. She proposes two basic strategies through which this occurs. *Surface acting* involves changing one's outward behavior with the hope of altering inner feelings. For example, flight attendants who force themselves to smile after being insulted report feeling better. *Deep acting* occurs when individuals attempt to regulate their physiological activity (e.g., "just calm down and breathe slowly") or shift their focus of attention (e.g., "just ignore it and you will feel better"). Social exchange contexts may also have emotion norms that vary with the nature of the relationship. Business relationships—such as explicit contracting between representatives of different corporations—will likely have a norm of emotional neutrality; in fact, being "professional" in such contexts is being in control of one's emotions. Bargainers suppress the urge to display their excitement in order not to "tip their hand" to the opposing party and raise suspicion. By the same token, anger or contempt for the other party is held in check. There is much surface acting in these exchanges.

The opposite also may occur. At times actors intentionally reveal a false emotion for strategic purposes. Professional gamblers feign nervousness, joy, or confidence to create impressions that give them an advantage. "Bluffing" is a strategic act and inherent feature of many economic exchange contexts. Ironically, in contexts where bluffing is normatively expected—such as the poker table or used-car lot— it may actually lose effectiveness. In contrast, in very close relations, it is partially the emotional displays that are themselves the objects of exchange. The true expression of emotion becomes a valuable commodity above and beyond any material goods.

The cultural-normative perspective implies that the generalizability of social exchange principles is limited or conditioned by the emotional environment, e.g., emotion norms, emotion management, etc. Most contemporary exchange theories assume (and most empirical tests

explicitly create) a relatively sterile and dispassionate environment with a neutral emotional tone. This inhibits the development and expression of emotion, enhances surface acting, and fosters an overall emotional context that makes the formation and maintenance of strong relations problematic. One can imagine that the typical exchange context is similar in some respects to that described by Hochschild's flight attendants. In any case, the management and regulation of emotion norms across various exchange contexts are important avenues for future research.

### **Structural/Relational Approaches**

The orienting idea of the structural-relational approach is that positional differences create differences in felt emotion, and these have important effects on exchange relations and networks. Structural-relational theories predict emotion from specific relational attributes, such as one's position in a power or status hierarchy. By way of comparison, cultural normative theories focus on symbolic or emergent social definitions and norms in groups with common identities (gangs, flight attendants, etc). In general, structural-relational theories tend to have a more deterministic flavor, making causal predictions for which emotions emerge given a set of structural conditions; whereas cultural- normative approaches are more conceptual and interpretive.

Kemper's (1978, 1987, 1990c) theory of emotion falls squarely in the structural tradition, given its focus on two relational attributes: power and status. His basic assumption is that an increase in power or status will result in positive emotions, while a decrease in power or status will lead to negative emotions. More specifically, Kemper (1978, 1990c) predicts that an increase in relative power results in feelings of security, while a decrease in relative power leads to fear or anxiety. The term "relative" in the preceding sentence is important. The theory predicts an individual feels secure when her or his own power is directly increased over another, or when

their power is indirectly increased due to a reduction in the power of the opposing party. The theory focuses on emotions caused by power or status dynamics that actually transpire, but it also suggests that anticipatory emotions occur when one expects a change in power or status whether or not it actually occurs.

Turning to status, changes again stimulate emotional responses (Kemper 1990c). An increase in status produces satisfaction or happiness, while a decrease in status produces shame, anger, or depression. The case of status loss is more complex than that for status gain. Consider an  $x$ — $y$  relationship in which person  $x$  suffers a loss in relative status. If  $x$  attributes the status loss to person  $y$  and believes it is not justified or legitimate, then the theory predicts  $x$  should be angry. But when  $x$  assumes responsibility for the status loss, then the emotion is likely to be shame. Finally, if an uncontrollable external agent is responsible for status loss, then depression is the predicted result.

Kemper offers a rigorous theory that connects power and status dynamics to emotional phenomena. He distinguishes the emotional consequences of power and status conditions, and recent research affirms that power and status dimensions produce somewhat different emotions or emotional processes. Let us consider some of this research by exchange theorists.

***Emotions Produced by Power.*** In exchange theory, power is defined as a structural potential based in the pattern and quality of exchange opportunities (Emerson 1972b, 1981, Willer & Anderson 1981). The classical example of structural power is a three-actor dating network, A—B—C, where the centrally located B has the option of dating two people each of whom has no dating alternatives. Assuming that interactions between one dyad preclude interactions in the other, then A or C must always be excluded on any given night of dating. By the same token,

position B will always be guaranteed to have a partner, and so we say that B occupies a high power position.

There is considerable evidence that actors who bargain from high power positions, like actor B in the three line shown above, tend to experience positive emotions. Willer and associates (1997) tested this proposition directly. They measured the emotions of all three actors after a series of bilateral negotiations in the three-actor line. The results show that B tended to report strong positive emotions following exchanges, while A and C reported negative emotional reactions. The finding that power differences yield corresponding emotional reactions has also been reported by Lawler & Yoon (1993, 1996).

Molm (1991) provides further evidence on the relationship between power and emotion. She reports an interesting asymmetry between the base of power (reward versus punishment) and satisfaction with the exchange relation. Data from a series of experiments indicate that a single unit of punishment decreases satisfaction more than a single unit of reward increases satisfaction. That is, punishment power has a stronger effect than reward power on emotional reactions. The finding that individuals respond more strongly to negative outcomes is consistent with research on collective action (Hardin 1991) and exchange networks (Skvoretz & Zhang 1997, Thye et al 1997). In sum, the evidence reviewed above indicates that actors who occupy low power positions of various types experience negative emotions, while actors in high power positions experience positive emotions.

***Emotions Produced by Status.*** Those who study status processes in face- to-face discussion groups have arrived at similar conclusions. Bales (1950, 1953) argued that positive emotional behaviors, such as acting friendly or expressing agreement, are functional to the group because such behaviors promote positive task outcomes. Bales reasoned that in collective and task-

oriented groups, negative emotions emerge when individual group members disagree, and these have deleterious effects by diverting attention and time from the task. Positive socioemotional behaviors help members maintain a task focus and deal with disputes along the way (Bales & Slater 1955, Bales & Hare 1965). Shelly (1993) suggests further that positive sentiments can shape interaction and influence, as does status in expectation states theory.

Ridgeway & Johnson (1990) develop an expectation states theory of status and socioemotional behavior, explaining why high- and low-status persons experience different emotions. They argue that group members with positive status characteristics are targets of higher performance expectations, and as a result, they receive positive feedback from group interactions and encounter very few disagreements from lower status group members. In the event a high status member is challenged by a status subordinate, the former will typically attribute the disagreement externally (e.g., “You clearly do not know what you’re talking about!”). In comparison, lower performance expectations are associated with members who possess the low states of status characteristics; they receive more criticism for expressing their ideas and tend to attribute criticisms internally (e.g., “You’re right, that is a silly idea.”). The combined result of differential performance expectations, selective feedback, and attributional biases is that high status members experience positive emotion and are more free to display these feelings. By the same token, low status group members experience negative emotions and are more apt to conceal them from the group.

Lovaglia & Houser (1996) propose the notion of “status compatible emotions” to explain how emotions combine with status to produce influence in groups. They suggest that positive emotion is compatible with high status, while negative emotion is compatible with low status. They conducted a series of experiments, and the results indicated that for both high- and low-

status subjects, positive emotional reactions tended to decrease resistance to social influence, while negative emotion tended to increase resistance to influence attempts. These findings suggest that high status group members experience positive emotions and, as a consequence, become more open to the task suggestions made by lower status others. At the same time low status members experience negative emotions and consequently become more steadfast in their conviction. This research details how emotional reactions combine with status characteristics to determine patterns of social influence in groups.

### **Exchange Process and Emotions**

#### **Sensory/Informational Approaches**

These theories emphasize that emotions convey information within or between individuals. This can happen in multiple ways. First, individuals can sense their own emotional reactions and use this information to make inferences about themselves and the environment. A person who overreacts to a friend's mild criticism may, ex post facto, infer their friendship is drifting apart. Second, the display or visibility of an emotion to others may inform those others of one's own internal reactions or disposition. In this example, the friend who was the target of the emotional outburst may make the same inference. This section discusses theories that detail how emotions signal information to the self and others. We use Heise's (1979) affect control theory<sup>2</sup> to illustrate signaling to self and Frank's (1988) theory of moral sentiments to illustrate signaling to the other.

In affect control theory, emotions signal the self. Briefly, the theory assumes that individuals carry with them a set of "fundamental" meanings regarding themselves, other persons, objects or behaviors (Smith-Lovin & Heise 1988). Fundamental meanings refer to the

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<sup>2</sup> The affect control theory home page is at <http://www.indiana.edu/~socpsy/ACT/Index.html>.

evaluation of a person, object or action out of context. For example, most individuals probably believe that doctors, birthday cakes, and volunteer work are somewhat positive. Meaning is thought to vary along three primary dimensions: good-bad (evaluation), powerful-powerless (potency), and lively-quiet (activity). The evidence suggests that people from varying cultures and social strata organize fundamental meanings along these dimensions (Heise 1966). Transient meanings occur when objects, behaviors, and situations are strung together in more complex scenarios (e.g., the doctor abused her child). As a single unit of analysis, transient meanings can also be measured. Affect control theory assumes that individuals seek consistency between fundamental meanings (i.e., that which they believe to be true), and transient meanings (i.e., that which they experience at a given moment). Emotional reactions reflect whether or not this consistency is maintained.

In affect control theory, emotion is the result of a cognitive appraisal. The theory asserts that individuals occupy identities that provide baselines from which transient impressions (or events) are interpreted. An emotional reaction occurs when one experiences an event and then assesses how well it fits her or his fundamental understanding of the people, identities, and actions involved. When the fit between one's fundamental understanding and transient impressions is good, emotions felt are consistent with the identity. An example is a person with a positive self identity (e.g., community volunteer) who experiences a positive, confirming event (e.g., an award recognizing service). Here the fundamental meaning associated with the identity is consistent with the positive transient meaning, and the theory predicts that positive emotions will ensue. When a person holds a negative identity (e.g., criminal) and experiences a consistent confirming event (e.g., an indictment), then negative emotions will be the result. The overarching

assumption is consistency; events that confirm identities result in emotions with the same valence.

Applied to exchange theory, affect control theory suggests that the emotions experienced in exchange are contingent on the actors' identities. As noted earlier, certain identities—such as corporate representative, professional arbitrator, or merchandise buyer—involve contextual norms that demand control of one's emotional displays. Other identities such as colleague, friend, or husband are more forgiving in this respect, in that they normatively allow or generate richer emotional experiences. One implication is that as the exchange context changes from purely instrumental to partially expressive, the salience of certain identities will shift, resulting in a wider range and greater depth of emotions.

It's worth noting that emotions in affect control theory are both social and relational. Heise (1987) suggests that when another person is a salient part of the environment, our transient experiences can move in the direction of that person's identity. For example, when talking with a powerful senator, a person may have transient impressions such as awe or gratitude. When these emotions are displayed for others to see, we essentially broadcast our private appraisals outward. Thus, while emotions signal the self in affect control theory, they also may be communicated to others.

Such communication of emotion is the focus of Frank's (1988, 1993) theory of moral sentiments. Frank begins with a rational-choice model of human action that assumes behavior is driven by immediate self-interest. He notes that the unbridled pursuit of self-interest, however, results in an interesting paradox: Actors who are always attempting to maximize their local self-interest blindly stumble into social dilemmas. The dilemma is that such actors can never reap the benefits of collaboration, even when it promises greater rewards in the long run. A purely self-

interested actor would always steal if she or he could safely do so without cost or detection; in a population of egoists, marriages could never survive external temptations, business partners would cheat one another, etc. These are instances of what Frank calls “the problem of commitment.”

Frank (1988, 1993) argues that emotions help individuals resolve the problem of commitment by fostering prosocial tendencies that are reciprocated over time. He claims that emotional reactions such as love, sorrow, and sympathy are powerful incentives that curb self-interest. A spouse who is considering an affair, for example, may refrain out of love or respect for her partner. Workers who receive cash payments may nevertheless report all income to the IRS out of fear, guilt, or a sense of national identity. In this way emotional/affective processes short-circuit and regulate the desire for immediate self gratification.

Notice that although emotions help promote long-term behavioral commitment for any given person, the unilateral experience of emotion is not enough to fully solve the commitment problem. Long-term committed relationships can only emerge when each party (*a*) experiences commitment-inducing emotions and (*b*) can detect (and be detected by) others with the same capacity. The first trait gives one the ability to control passing temptations; the second ensures that individuals with high “moral fiber” are likely to locate similar others. Frank suggests that individuals communicate their emotional makeup through subtle behavioral gestures and cues that have evolved through biological mechanisms.

To summarize, the theory of moral sentiments postulates that emotions allow commitment to emerge, but long-term committed relationships prosper only when emotional reactions are coordinated at the dyadic level. Frank provides a convincing argument for the importance of emotional expressions to the development of trust and commitment. The broad

implication for exchange theory is that communicated emotions are an inherent part of social interaction, and these are particularly important to the development of cohesive or solidary relations.

### **Cognitive Approaches**

A rather large body of psychological research examines how emotions influence cognition. Mood, affect, and feelings all have been shown to impact how people process information and the degree to which they reveal a concern for others. It is now well established that individuals in a positive mood perceive, encode, interpret, and remember events in a more positive light than do individuals in a negative mood (Bower 1981, 1991, Isen 1987). For example, Isen and colleagues (1978) have shown that subjects in a positive mood tend to have better recall for positive trait adjectives such as “kind” or “friendly” learned at an earlier point in time. Others find a tendency for individuals in a given mood state to have greater recall for material learned while in that same mood state, a phenomenon known as state-dependent learning (Bartlett et al 1982, Bower et al 1981). Overall there is little doubt that emotions (both positive and negative) affect how information is encoded and retrieved from memory.

Emotional states also have been shown to bias social judgments (Bower 1991). Wright & Bower (1992) found that, compared to subjects in a neutral mood, those in a good mood tended to overestimate the probability of positive events and underestimate the probability of negative events. Subjects in a bad mood did just the opposite—they overestimated the probability of negative events and saw positive events as less likely. Johnson & Tversky (1983) report comparable biases with respect to subjective frequencies. In a series of experiments, they found that subjects in a bad mood tended to overestimate the frequency of other bad events. Others found that positive emotions correlate with the tendency to make risky decisions, but only when

the potential for loss is small or inconsequential (Isen & Patrick 1983, Isen & Geva 1987). All of this research indicates that moods do in fact shape social judgments.

What is not so well understood is exactly *why* moods alter social judgments. We identified four distinct models of judgment in the psychological literature. According to the priming model advanced by Bower (1981, 1991), the common thread that weds these research findings together is that positive or negative emotional states activate and make salient cognitive structures of the same valence. A distinct, but related, model suggests that mood-congruent social judgments result from efforts to maintain one's current mood state (Isen 1987, Wegener et al 1995). These ideas are particularly relevant to exchange theories, as they suggest that pleasant/unpleasant social exchanges trigger cognitions of the same tone that build on one another over time and ultimately bias information processing. This is one basis for "bounded rationality."

A third model assumes that individuals make decisions, in part, by sensing their current emotional reactions and using this data as input (Schwarz & Clore 1983, Schwarz 1990, Clore & Parrott 1994). From this perspective, emotional reactions operate as stimuli that sometimes can be confused with more objective information. We have all made decisions that just don't feel right, and when this happens, it is tempting to cast aside more reasoned thought and judgment. This raises an interesting possibility for exchange theory. If emotional states function as information, then it is at least possible that emotions originating from earlier exchanges with other people might carry-over into the current exchange context. The emotional consequence of a morning speeding ticket might still be felt in that afternoon's business meeting. Research on sympathetic activation and excitation transfer provide conceptual and empirical support for this possibility (Zillman 1983).

Perhaps the most provocative ideas for exchange theory come from the reduced capacity model, which holds that emotions disrupt attention or diminish cognitive capacity (Eysenck 1977, Isen 1987, Mackie & Worth 1989, 1991). Considerable research documents that emotional experiences tend to result in superficial information processing. For example, Mackie & Worth (1989, 1991) report that subjects in a positive mood are less attentive to messages and have poorer recall of their content compared to subjects in a neutral mood. Presumably, emotional reactions consume cognitive resources that might be directed elsewhere. Mackie & Worth provide further evidence in support of this idea, reporting that subjects who feel positive simply take longer to read and interpret a message, which again suggests lowered cognitive ability.

Turning to negative emotion, studies show that high-fear subjects tend to rely more on group stereotypes and process messages less carefully (Wilder & Shapiro 1989, Baron, Inman, Kao & Logan 1992). For example, Wessel & Merckelbach (1997) found that spider phobics exposed to a large live spider (i.e., the high-fear group) had less recall for minor details than did non-spider phobics (i.e., the low-fear group). However, at least one recent experiment questions these ideas. Baron and colleagues (1994) report that high fear patients about to receive a dental filling actually process cavity-related information more carefully than patients in a low fear condition. They argue that lazy information processing may actually result from attentional shifts toward the stressor, rather than an overall diminution of cognitive ability.

Applied to exchange theory, lazy information processing may enhance the cohesion and solidarity of exchange relations and groups by promoting relaxed accounting. Individuals who adopt a relaxed or “loose” accounting system do not keep precise records of the benefits or costs to actors, whereas restrictive accounting systems are characterized by continuous and precise tallying of such information. Kollock (1993) used computer simulation to demonstrate that

relaxed accounting systems produce more mutual cooperation in prisoner's dilemma games. The immediate implication is that if positive emotions promote lazy information processing and relaxed accounting systems, this may in turn promote mutual cooperation, commitment, trust, and solidarity in those relations. Overall, there are good reasons to believe emotions bias how individuals perceive and interpret their exchanges with others. In the following section we illustrate one such bias with an application to elementary theory.

**An Application.** There is an interesting theoretical link between social cognition research and the elementary theory of power in social relations (Willer 1981, Willer & Markovsky 1993). Willer and associates put forth a resistance theory that suggests power is partially determined by what actors hope (or aspire) to receive in exchange with others. From cognitive theories we hypothesize that if individuals in exchange relations experience positive and negative emotions, these systematically bias what they hope to receive as they negotiate exchange. Resistance theory asserts that actors possess a certain level of "resistance" to exchange depending on their best expected payoff ( $P_{\max}$ ) and the payoff at confrontation when no exchange occurs ( $P_{\text{con}}$ ). According to the theory, A's resistance ( $R_A$ ) to a given offer ( $P_A$ ) is given by the following equation,

$$R_A = \frac{P_A \max - P_A}{P_A - P_A \text{con}}$$

This suggests that actors resist exchange when they expect to receive more than they are offered ( $P_{\max} - P_A$  is large) or when the profit they are offered barely outweighs the profit from no exchange at all ( $P_A - P_{\text{con}}$  is small). The theory asserts that exchanges between A and B occur when the resistance of A is equal to the resistance of B such that

$$R_A = \frac{P_A \max - P_A}{P_A - P_A \text{con}} = \frac{P_B \max - P_B}{P_B - P_B \text{con}} = R_B.$$

To briefly illustrate, assume actors A and B must agree on how to divide 20 units of profit or each will earn nothing. Assuming each unit of profit is indivisible, each actor can reasonably hope to take no more than 19 of the possible 20 units. If either actor requests all 20 units then the incentive to exchange dissipates. Thus we have  $P_A \max = P_B \max = 19$ . If A and B fail to reach agreement then they each earn nothing making  $P_A \text{con} = P_B \text{con} = 0$ . It follows that

$$R_A = \frac{19 - P_A}{P_A - 0} = \frac{19 - P_B}{P_B - 0} = R_B.$$

Since any agreement between A and B must sum to 20 units, we set  $P_B = (20 - P_A)$  and solve to find  $P_A = 10$  and therefore  $P_B = 10$ . In dyadic exchange where each party has no alternative, the resistance model predicts an equal division of the profit pool.

The relevant point for our purposes is that resistance to exchange entails the weighing of best hopes ( $P_{\max}$ ) against worst fears ( $P_{\text{con}}$ ). Recall from our earlier discussion that actors in a positive mood tend to overestimate the probability of positive outcomes, while actors in a negative mood state tend to be less optimistic and view negative events as more likely (Wright & Bower 1992). When incorporated into resistance theory, this finding implies that emotions bias  $P_{\max}$  in the direction of one's emotional state during the negotiations.

Consider the following example. Again let actors A and B negotiate how to divide a 20-point profit pool under the conditions specified above. Further, assume that A is in a positive mood while B is in a somewhat negative mood. For ease of calculation, let's assume the emotions of A and B are reliably measured, then standardized on a scale ( $E^*$ ) ranging from 0 to 1 such that larger values reflect more positive emotion. Let  $E_A^* = 1.0$  and  $E_B^* = .70$ . Use this bias to calculate  $P_A \max = (1.0)19 = 19$  and  $P_B \max = .70(19) = 13.3$ . Plugging these new values into the resistance equation and solving for  $P_A$  yields a slight profit advantage for A such that  $P_A = 11.76$  and  $P_B = 8.23$ . This example demonstrates how emotional reactions, because

they act on the judgments of exchange-related information, might affect social exchange outcomes.

Thus, actors in a positive mood should perceive  $P_{\max}$  to be approximately its full value, or at least higher than the  $P_{\max}$  for those in a negative mood state. Similarly, actors in a relatively negative mood should have reduced profit aspirations and perceive their  $P_{\max}$  to be lower. The combined effect of these emotions is a slight profit advantage for actors with positive feelings and higher profit aspirations. This is, of course, a testable prediction.

### **Exchange Outcomes and Emotions**

#### **Attributional Approaches**

Weiner (1985, 1986) puts forth an attribution theory of emotion that addresses how actors interpret the often vague and global feelings they experience in interaction or exchange with others. He argues that when an actor experiences a successful or blocked goal opportunity, the result is a generalized emotional reaction that is global and diffuse. Weiner terms these “primitive” emotions. They are dependent on the outcome of the interaction but not associated with anything in particular. Importantly, such emotions generate an attribution process through which actors attempt to understand and interpret the sources (causes) of the interaction outcomes. Thus, the global (i.e., primitive) emotions are “outcome dependent” and “attribution independent.”

In Weiner’s (1985) theory, positive emotions (pleasure, happiness) follow a positive event and negative emotions (sadness) follow a negative event, an idea quite compatible with exchange theorizing. He holds that the attribution process reshapes these emotional reactions, further differentiating the generalized emotions into more specific affective reactions. The sense of sadness following a spoiled job interview may be transformed into shame (if attributed to self)

or anger (if attributed to the other). These specific emotions are “attribution dependent” because they result directly from the causal attributions associated with the event. Through this attribution process, more specific emotions evolve and become attached to particular objects (i.e., self, other, situation).

The object targeted by the attribution process actually determines the specific emotion that emerges. As noted, guilt or shame result from negative outcomes attributed to one’s self, and anger results from negative events attributed to arbitrary or illegitimate acts of others. Pride results from attributions of positive events to self, and gratitude results from attributions of positive events to the other. Weiner’s theory posits a series of feedback loops through which attribution-specific emotions are formed and guide an individual’s future behavior. As with other attribution theories, however, the emphasis is on attributions to individuals based on their behavior. In social exchange such individualized attributions are more difficult because exchange outcomes are joint products of two or more actors’ behaviors.

Weiner’s approach nevertheless represents an important contribution to the study of emotion. He recognizes that some emotions result from events that require very little cognitive processing, while others emerge after more careful thought or reflection. In this sense, he finds a viable middle ground in the classic debate regarding the primacy of affect versus cognition (Lazarus 1984, Zajonc 1984). By differentiating global from specific emotions and elucidating the specific types of attributions that lead from one to another, his theory suggests a dynamic picture of the way emotions unfold in exchange relations.

To develop an explicit link to exchange theory, two shifts are needed in Weiner’s framework. First, the primitive, global emotions should be viewed as internal reinforcements/punishments that people consciously feel and attempt to explain or understand.

Involuntary, global emotional reactions then are motivating states in exchange relations because, once they are part of conscious awareness, actors strive to reproduce positive feelings and avoid negative feelings. This theoretical shift narrows the emotions of concern to those that are global and detected (perceived) by the actors themselves. For exchange theorizing, it seems quite reasonable to suppose that people involved in exchange relations sometimes feel good or bad as a result of the exchange; they are motivated to reproduce the positive and eliminate the negative emotions; and therefore they try to understand and interpret their own emotional reactions.

The second shift needed is that the objects of attributions should include “social units” in addition to self, other, and situation. This is implied by the jointness and “social embeddedness” of exchange. If social units—such as exchange relations, networks, groups, or larger organizations and communities—become targets or perceived causes of global feelings, then emotion attributions have important implications for solidarity-related phenomena such as compliance (Hechter 1987), solidarity (Markovsky & Lawler 1994), affective attachments (Kanter 1968, Lawler 1992), and relational cohesion (Lawler and Yoon 1996). Social units perceived as the cause of positive feelings in exchange should generate stronger individual-to-collective attachments than those perceived as a source of negative feelings from exchange. The social-formations perspective examined next elaborates these implications.

### **Social-Formation Approaches**

Two basic ideas are the foundation of the social-formations approach. The first is directly from social exchange theory: that mutual dependencies are the underlying structural conditions for cohesion and solidarity in social units (Emerson 1972a,b, Hechter 1987, Molm & Cook 1995, Lawler & Yoon 1996). Mutual dependence is the degree to which two or more actors in a relation, network, or group are dependent on each other for valued rewards. Emerson (1972b)

explicitly indicated that cohesion was a function of the sum or average of each actor's dependence on the other.<sup>3</sup>

The second idea originates in Durkheim (1915) and has been developed more recently by Collins (1975, 1981, 1989, 1993). This is that joint activities generate uplift, elation, confidence, or other emotions that affirm and make salient social ties and group memberships. This is the centerpiece of Collins' (1981, 1989) theory of interaction ritual chains. Theories in the social-formations tradition explain how the emotions and feelings that social exchange generates, in turn, foster cohesion or solidarity.

How can we theorize the degree and consequence of jointness in social exchange contexts? Kelley & Thibaut (1978) distinguished three types of dependencies: reflexive control, fate control, and behavioral control. These refer respectively to the degree that actors' outcomes are determined by their own behavior (independence), the behavior of the other (dependence), or a combination of their own and others' behavior (interdependence). Mutual fate control establishes the foundation for trading resources or behaviors that do not produce new value to be divided but still involve contingencies. In contrast, mutual behavioral control promotes the negotiation of coordinated behaviors that have multiplicative effects on resources or exchange outcomes (Molm 1994). These forms of dependence are interwoven, and it is reasonable to hypothesize that the greater the degree of mutual behavioral control (interdependence) and the lower the degree of mutual reflexive control (independence), the more actors take account of each other and the more they see the results of their exchange—positive or negative—as produced jointly.

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<sup>3</sup> The same point is also built into Molm's (1987) idea of "average power" and Bacharach & Lawler's (1981) notion of "total power."

In discussing Weiner's (1985, 1986) theory, we already proposed that interdependence makes the relevant social units (dyads, groups, organizations, etc) causal objects in actors' attributions. How and when might such attributions occur? Lawler & Yoon (1993, 1995, 1996, 1998) addressed this question in their theory of relational cohesion. They argued that structural conditions of dependence—relative and total (mutual) dependencies—make exchanges between some pairs of actors more likely than others. Specifically, when mutual dependence is high, then actors should find one another more attractive relative to other potential exchange partners. When relative dependence is equal as opposed to unequal, then they should find it easier to reach agreement because neither has an a priori bargaining advantage that raises fairness issues. The theory indicates that exchange frequencies across pairs of actors in a network or group will vary depending on these conditions of dependence (Lawler & Yoon 1996).

The theory of relational cohesion goes on to argue that structural dependence relations do not have a direct impact on the formation of cohesive exchange relations; the effects are indirect and mediated by exchange frequencies and the emotions produced. Successful exchange generates global feelings of pleasure/satisfaction and interest/excitement, emotions that are “primitive” in Weiner's terms. Actors are motivated to interpret and understand the causes of these feelings, and in the process, their exchange relations become more salient. In this way, globalized positive emotions lead actors to view the exchange relation or group as a cohesive object, and they then are willing to take risks or make sacrifices on its behalf. Several studies by Lawler & Yoon (1993, 1995, 1996, 1998) demonstrate that the endogenous process—from exchange frequency, to positive emotions, to perceived cohesion—produces commitment to exchange relations. Through this process, the exchange relation becomes an expressive object of attachment for actors.

The emotional aspects of social formation processes can be elaborated by Collins' theory of interaction ritual chains. Interaction ritual is infused with emotion and expressiveness. Collins argues that interactions require and produce emotional energy, a global, undirected reserve of positive feelings (e.g., confidence, uplift). Emotional energy is a "common denominator" across situations and relations, and it is fundamentally what binds group members together. Emotions are synchronized, microlevel events that spread across interactions and have macrolevel effects on the group structure and stability.

To Collins (1981, 1989, 1993), an interaction ritual entails (*a*) at least two people, who (*b*) have a mutual focus on some object or action. A church prayer, faculty meeting, or long-distance telephone conversation are potential contexts for interaction ritual. The conditions for enhanced social solidarity include not only a mutual focus but also (*c*) the experience of a common mood or emotion and, by implication, the sharing of that emotion, as well as (*d*) the strengthening of feelings over time. All of these conditions, with the possible exception of the last, seem to fit the conditions usually found in social exchange—a mutual focus and common mood. When these conditions are satisfied, Collins (1989:18) asserts that a social boundary begins to emerge within which "participants feel like members of a little group, with moral obligations to one another." In this way, socially based emotions set the stage for or reaffirm symbolic group membership and social solidarity. Collins' theory specifies an emotional foundation for group formation in contrast to the predominantly cognitive one found in social identity theorizing (Kramer & Brewer 1984, Kramer 1991). There are strong affinities between Collins' work and recent theory and research on emotion in social exchange.

To conclude, the core ideas of the social-formations approach to emotion in exchange can be stated as follows: *Mutual dependencies (or interdependencies) produce joint activities which, in turn, generate positive/negative emotions or feelings; to the extent that these emotions are attributed to the relevant social unit, they produce stronger/weaker individual-collective ties, and those groups memberships command more/less cooperation and compliance.* When emotions produce stronger individual-collective ties, relational or group memberships appear more distinctive than before and stand out more vis-a-vis alternative memberships. Feedback effects also occur such that mutual dependencies are enhanced by the consequences they produce. The growth and decline of exchange-based relations and groups might be understood in these terms.

### **Conclusion**

The sociology of emotions and the sociology of exchange are highly distinct, incommensurable traditions with very different assumptions about actors and human behavior (e.g., Emerson 1972a, Kemper 1990a, Collins 1981, Scheff 1990b, Hochschild 1983, Molm & Cook 1995). The actors of exchange theories are individualistic, instrumental, and emotionally vacuous, whereas those of emotion theories are socially oriented, expressive, and emotionally deep and complex. The former are driven by reason, the latter by passion. Yet research from a variety of domains shows that passion and reason are intertwined, and this poses an important question: What role do emotions play in social exchange?

We illustrate the potential fruitfulness of building emotion and emotional processes into exchange theorizing by surveying a range of sociological and psychological work on emotions. Emotion theories raise many questions of relevance to social exchange (e.g., Hochschild 1983, Heise 1987, Frank 1988); they suggest new testable propositions that refine existing exchange

predictions (e.g., Bower 1991), expand the range of phenomena treated by exchange theorizing (e.g., Lovaglia & Houser 1996, Lawler & Yoon 1996) and point toward a richer exchange-theory explanation for social cohesion and solidarity than is possible with extant cognitive or rational-choice principles (see Hechter 1987). Our coverage has been necessarily selective, yet we have identified six traditions in the emotions literature that contain implicit or explicit claims about emotional aspects of social exchange—its context, process, or outcomes.

Together, the six approaches reveal a multitude of theoretical junctures at which emotional phenomena can complement, deepen, or broaden exchange theorizing and research. A *cultural-normative* perspective (e.g., Hochschild 1979, 1983) sensitizes us to the fact that exchange contexts necessarily entail emotion norms that limit the public expression of emotions, and result in actors managing their emotions to fit their roles or positions. *Structural-relational* approaches posit different emotions for actors with high power-status versus actors with low power-status, and analyze when these emotions maintain or undermine interpersonal relations (e.g., Ridgeway & Johnson 1990, Lovaglia & Houser 1996). *Sensory-information* approaches cast emotions as signals within the exchange process, revealing the intentions and trustworthiness of exchange partners (e.g., Frank 1988), or indicating whether an actor's felt emotions are consistent with his or her identity in that context (e.g., Heise 1987). *Cognitive* theory and research indicate that positive (or negative) emotions enhance, correspondingly, an actor's perceived probability of positive (or negative) behaviors by an exchange partner. *Attribution* theory helps us understand why and how actors explain and interpret global feelings generated by exchange outcomes (e.g., Weiner 1986). The *social-formations* approach elucidates the conditions under which these global feelings strengthen or weaken the cohesion of exchange relations or person-to-group ties (e.g., Collins 1981, Lawler & Yoon 1996).

The six approaches also imply distinct emotional underpinnings for different forms of social exchange (see Emerson 1972b, Ekeh 1974, Molm & Cook 1995 for a classification of forms of exchange). Of particular relevance is the contrast between negotiated and reciprocal exchange—respectively, a context where actors repeatedly negotiate the terms of a trade versus a context involving the sequential provision of unilateral benefits (e.g., favors, gifts, etc) with unspecified timing and obligations (Blau 1964, Emerson 1981, Molm & Cook 1995). Negotiated-exchange contexts usually promote and reward dispassionate, unemotional images or presentations of self in the actual process of negotiating, i.e., a “professional demeanor” or “affective neutrality” in Parsons’ (1951) terms. Reciprocal exchange allows a wider array of emotional expressions and a greater variety of emotion norms to emerge.

We hypothesize that the cohesion and solidarity of relations based on reciprocal exchange should be quite sensitive to emotional expressions in the exchange process. For example, experiencing and expressing gratitude, in response to a favor, help assure the giver that the recipient will likely reciprocate sometime in the future; expressing anger in response to a denial of a favor is an implied threat not to provide benefits in the future; expressing sadness may invoke shame or guilt in the other and engender backtracking or restitutive behavior. In reciprocal exchange, emotions expressed are also behaviors exchanged, and these affective exchanges should have important effects on trust and commitment; these are critical because the sequential character of reciprocal exchange entails more or different types of risk than the binding agreements of negotiated exchange (Molm 1994). Thus, emotion expressions are integral parts of the exchange process in reciprocal (nonnegotiated) social exchange.

In negotiated exchange, emotion expressions that reveal intentions may give the partner information to use as leverage, so the risk is revealing too much, not too little. The emotional

consequences of the joint outcomes (i.e. frequency of and profit from agreements made) should be more important than emotional expressions in the exchange process. First, jointness is more salient and the sense of common activity therefore stronger. Second, actors in negotiated exchange are more likely to perceive a shared responsibility for the outcomes and target the relation, network, or group. The upshot is that (*ceterus paribus*) the cohesion effects of successful exchange (i.e. outcomes) should be stronger for negotiated exchange than reciprocal exchange, whereas the cohesion effects for emotional expressions in the exchange process (i.e. displays) should be stronger for reciprocal exchange than for negotiated exchange.

In conclusion, we propose, based on our analysis here, that exchange relations, groups, and networks are more likely to endure if emotions (*a*) felt and expressed correspond with contextual norms and actors' identities, (*b*) are openly shared so as to promote mutual trust, and (*c*) are attributed to the relevant social units. Relations and groups that regularly satisfy these criteria should yield greater compliance, obligation, sacrifice, and collective action than can be explained by extant social exchange theorizing (e.g. Ekeh 1974, Hechter 1987). In this sense, bringing emotion into exchange theory has the potential to generalize and deepen social exchange explanations of social order and solidarity. We believe general questions about social exchange and social order are important avenues for future theorizing and research because exchange serves as a bridging phenomenon forging ties across differentiated parts of social systems (Ekeh 1974). Emotions and emotional processes warrant a central role in such theorizing.

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Figure 1. Where emotions enter the exchange process.

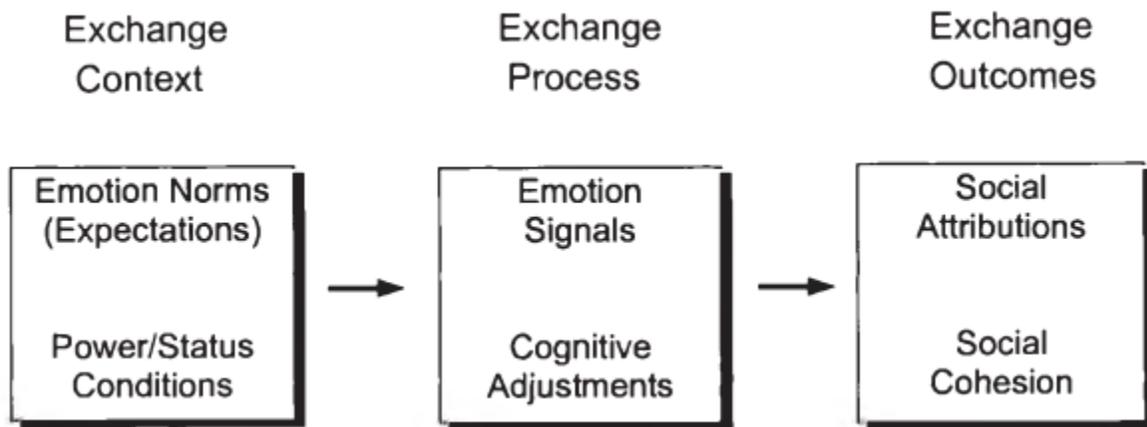


Figure Captions

Fig. 1. Where emotions enter the exchange process.