

Incentives as Partial Gifts

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Abstract:

Gift is too dangerous and subversive to be compatible with the needs of businesses and institutions. That's why it tends to be substituted by the incentive which presents itself as a partial gift. Will we ever see the resurrection of the gift from the heart of the market?

"The obligation of reciprocity in the exchange is not a response to specific powers linked to the objects, but a cosmic conception which presupposes an eternal circulation of species and beings"

Marcel Mauss, *The Gift*

At the origin of the ethos of the West there is the gift with all its ambivalences. Many origin myths associate human history with the refusal of people to stay and remain in a state of the harmonious reciprocity of gifts. The tales of Prometheus and Pandora (meaning: "all gifts"), or those of Adam and Eve tell us the same story in different languages: that human beings are unable to build their own civilization on free gift. But they also tell us that there is a profound relationship between gift and disobedience, between gratuitousness and authority, between freedom and hierarchy.

In Eden, the subjugation of women to men, the root of all other types of social subordination, is the result of their common disobedience: "Your desire shall be contrary to your husband, / but he shall rule over you" (Genesis 3:16). From the failure of the primordial relationship of reciprocity the first hierarchical relationship of domination is born. And so the hierarchy becomes the main response to the failure of free gratuity, its first alternative, its first enemy.

There is, in fact, a radical tension between hierarchy and gift. Hierarchy devours the gifts of its subjects, consuming them in the form of sacrifice: the kings, pharaohs and priests claim the first fruits and always want the best part (Zeus condemns Prometheus because he offers him the worst part of the bull quartered). However, hierarchy fears free gift more than anything else as it is not geared to its objectives because it cannot be oriented. Trying to turn the gift-gratuitousness into similar but harmless things is the invincible tendency-temptation of every hierarchy, doing everything possible to remove the unmanageable surplus from the gift, its poisonous sting given by its free nature.

The governments of the organizations also need the creativity and freedom of the gift, but they would want only the one that can (and should) stay within the established and safeguarded boundaries. And so, in times of real crisis, when free gratuity would be the first truly necessary thing, one is left destitute of this very essential.

That's the key to - more or less - the tragedy of the gift in businesses and institutions. This tragedy is manifested at various levels. The communities and movements of civil society, not infrequently even businesses, are also, and in many cases especially, born of passions, desires, overflow, from our desire for life, future and the infinite. *That is*, from our gratuitousness. These associated forms of life

are created because some people, or at least one, can see some all new and interminable spaces that allow for the full expression of their personality and dreams. They see that there is a place, and only that one, where the ordinary limits that exist elsewhere have disappeared, the barriers have fallen, or cannot be seen any more. Everything becomes possible. And they set off towards infinity, even when everything is done in a basement, or in a village in the forest.

Then with the passing of time the ideals and passions become practical, the first proto-institutions are born, leaders emerge, rules are written. Hence contracts, regulations, and soon the inevitable hierarchy are formed. And so the initial communities-movements gradually become associations, organizations, cooperatives, companies, which in order to function and grow need to manage, normalize, remove and banish those spontaneous practices and those surpluses that were the origin of the first experience. In order to be able to manage and navigate within the government rules, to coordinate and guide actions toward institutional goals, it becomes necessary to unify and standardize behaviours, too. And the first freedom of the first gifts dies. The only gifts that remain are the sacrifices that feed the hierarchy and its objectives, the ones that feed its hunger. All this happens not because the management is bad or dull, but by the very *nature* and vocation of hierarchy: to perform its job it has to encourage the most ordinary, gregarious and domesticated elements of creativity and freedom, in order to fight the more subversive and destabilizing dimensions of gratuity, those that would be essential especially in the most important and delicate moments (crises, generational changes, tests...).

This is one of the most important dynamics of the institutions: once our gratuitousness has generated organizations, the inherent and necessary dynamics of their government eventually denies the expression and practice of those free gifts which had caused it to be born. The "daughter" organization devours the "father" gift. This is how many of the most beautiful collective creations end, because the body generated by gratuitousness puts out the original creative and free spirit, the only breath that life knows. This "impossibility theorem" manifests itself in many organizations and institutions, but it is absolutely central in the so-called ideal-driven organisations (IDO) and so in spiritual and charismatic communities, which often burn out, wither and die because the hierarchy and the government prevent their resources capable of saving the organization from its own extinction to operate freely. We have daily and ample evidence of this.

At the base of the progressive elimination of the free gift, a key role is played by the transformation of the *gift* into *incentive*. Gifts and incentives seem very different realities. But if we look at them carefully, we realize that they are bordering concepts that look alike. Reciprocal relationships based on the exchange of gifts create large debit/credit relationships by their very nature. These are highly generative and radically complicated to govern. The gifts that are born to respond to other gifts, never being equivalent to each other, are unable to compensate and to "settle" the debt of the first gift. Instead, they feed the relationship and reactivate the cycle of reciprocity. In other words, when a gift received is recognized and an attempt is made to reciprocate it with another gift, the second gift is not the first gift with the minus sign in front, but it is a primal act that holds open and re-launches the chain of mutually given gifts.

That's why this reciprocity, which was the first language with the help of which communities met and started to get to know each other, gradually generated the commercial type of reciprocity of the contract. If the function of the contract is perfect and balanced, it actually aims to close down a relationship, but if it's imperfect and unbalanced about the reciprocity of gifts it aims to keep that human relationship open, generative, fruitful, and therefore unpredictable, able to surprise and amaze, just like life. In the reciprocity of gifts, the "credit" created by the first gift it is not compensated by the second gift, which remains in excess, and this surplus becomes the mother of new relationships, the dawn of new days. Compensation of gifts is impossible, or at least it is always

partial and imperfect, because we do not own the unit of account to make the calculations, we do not want to do them either, and we are most often wrong when we do it, thereby fuelling disagreements and conflicts. Like an iceberg, the greater and more important part of the gift is the one that's *invisible*. What we can see is just the surface, but we know that beneath its signs there lives a powerful and mysterious energy capable of extraordinary things: it can rebuild an entire community but it can also destroy it. This invisible and obscure part of the gift is the root of the fascination and fear that gift has always exerted and still exerts on us.

But (and we are in the heart of the tragedy of gift) its submerged part, the calculations never done and the accounts that do not work, the debts and receivables that do not compensate each other, add up to all that businesses - and in general, organisations - really hate. The utopia of every organization is therefore to be able to acquire the creativity, passion, energy and generosity of the *homo donator* (the "giving man" - *the tr.*) without the inherent ambivalence, without any demand and recognition of gratitude, without bonds. And so they perform a genetic manipulation and turn it into *homo oeconomicus* ("economic man" - *the tr.*). The incentive is the first tool to try to manipulate the gift in the contract. They are somewhat similar: the *homo oeconomicus* is a *homo donator* deprived of his original, creative, destructive and destabilizing energy.

The incentive, if we observe it well, is really as a kind of counter-gift in a form of reciprocity. This is what the *head* (ownership and/or management) "gives" to the *agent* (worker) in exchange for a given behaviour which is to his advantage. That's why some economists (including Nobel Prize winner George Akerlof) described the employment relationship as a "gift exchange," adding, honestly, the adjective "*partial*" to it. The incentive can be described as a partial counter-gift because it is completely aimed at the free component, to make the *agent* controllable and manageable by the *head*. It is not by coincidence that the incentive is often called (improperly) *award* by companies, in order to symbolically emphasize its dimension of simulated gift... *partial* gift. Too bad there is something in human life that does not lend itself to partial reductions, to be shortened, blunt or cut - and it is gift itself. Unlike other living realities, *gift lives only in its entirety*: if I reduce it, halve it, I simply kill it. The incentive, presenting itself as a small and partial gift, is actually the anti-gift, the antidote that defends the corporate body from the real and free gift, which disappears and is gone when we need to re-start, to resurrect.

Businesses continue to live, to be born and to be reborn because many workers violate the taboo of gratuitousness, bearing all the consequences. Businesses do not know it and do not want it, but if they are alive and reborn it is because the taboo of gratuitousness is desecrated every day by free people who cannot help giving gifts, despite the prohibition to do so. The reason why we cannot help giving gifts is that we are alive, and that incentives are just not enough: we want and we are worth much more.

Long ago, gift generated the market. Will it, one day, be reborn from the heart of the market?