
RELATIO: AN EXAMINATION OF THE RELATIONAL DIMENSION OF RESOURCE ALLOCATION

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ABSTRACT

The indigenous traditions and values of African peoples have been viewed as being behind the times. Disregarding established, functioning systems of African resource allocation has led to a system of interaction out of touch with local cultural priorities. Through a review of literature, augmented by qualitative interviews and observational analysis, the evolutionary nature of rationality is revealed; demonstrating the necessity for our understanding of economic choice to be adjusted to involve broader conceptions of its constitution, restraints, and motivations. It is derived that two parallel systems for addressing basic questions of choice and resource management exist; a traditional “rational” Western system, and a “relational” African system. After establishing these intersecting systems, the value of African uniqueness is appreciated. This paper attempts to build upon the work of other economists in the addition of a “relational” component of rationality, informed by both social and material forms of capital.

1.0 INTRODUCTION AND METHODOLOGY

There is a Tonga saying addressing the concept of cooperation and relationship that states, “Munwe omwe taupwai njina”; meaning, “One thumb cannot crush lice”. The essential message behind the proverb being that even the simplest task is dependent on outside assistance. Looking beyond its idiomatic charm, it also speaks to a concept that finds resonance throughout the African continent: in Shangan it is “Rintiho rinwe a ri nusi hove”—“one finger cannot pick up a grain”; in Nguni, it is “Izandla ziyagezana”—“one hand washes the other”; in Setswana it is “motho ke motho ka batho”—“I am because you are”; perhaps most famously, in Xhosa it is expressed “umuntu ngumuntu ngabantu”—“A person is a person because of other people”. As Archbishop Desmond Tutu writes, “[i]t also means my humanity is caught up, is inextricably bound up, in theirs. We belong in a bundle of life”(Tutu, 1999)□. This concept, known in South Africa as Ubuntu, is a true expression of African uniqueness. Tutu draws the contrast between Western philosophy and Ubuntu; “it is not ‘I think therefore I am’”. It says rather: ‘I am human because I belong’(Tutu, 1999)□.

This philosophy was the fuel that kept the South African Truth and Reconciliation Commission running, in that it connects self-interest and suffering to the society at large. This philosophy observes that one cannot rightly be at peace in the presence of unforgiveness when the wellbeing of the offender is directly connected to one’s own. Broadening self-interest to include all that composes one’s identity—community, culture, language group, nation, etc—results in some very interesting resource allocation outcomes. Classical conceptions of rational-choice, altruism, long-run stability, and entrepreneurship must be challenged, adjusted, and enlightened by this expanded vision of welfare.

To this end, it is necessary to conceive an expanded model for describing economic behaviour influenced by this cultural identity; one that encompasses all that Ubuntu represents. Ubuntu is the abstract—the philosophical framework of a cultural reality; this relationship-based economics (which shall be defined in this paper as “Relatio”) is the day-to-day tangible manifestation of this idea. It is the challenge of this paper to realize Ubuntu in real space, and through Relatio, to give it a living, breathing body that can be recognized, analysed, and interacted with. This paper is not meant to be a normative statement extolling the merits of a Relatio-driven system, neither is it meant as a rebuke of rational choice or western economics. Rather, it is designed to provide a template towards interaction with, and to establish common ground between, typically contradictory cultural mindsets. This is not to say that there will not be some degree of value ascribed to the system of Relatio—indeed it is the case that, due to the predominant world order, the lessons and values of Relatio tend to be undervalued.

The true goal is to realize the reality of and necessity for Relatio-thinking in rural African development, and to provide a vision of a future in which Relationship values and resources are accepted and incorporated into traditional economic modelling. This will be accomplished by first presenting a brief review of literature regarding rational choice, in order to provide some insight into the heterodox nature of Relatio choices. Next, the structure of the Relatio system will be outlined, by looking into the macroeconomic and microeconomic manifestations of the relational calculus.

Finally, the synthesis of the classical and relational realms of rationality will be explored.

Research for this paper was conducted in the rural village of Macha, in the Choma district of the Southern Province of Zambia. Research consisted on evidence gathered from personal interviews, conclusions drawn from observation of the community in Macha, and extensive literature review using on-line libraries. Liberties are taken with the use of terms for purely stylistic reasons. Generalizations do not imply that the specific observations made in Macha should be extended to the whole and vast diversity of African cultures.

2.0 A BRIEF HISTORY OF CHOICE

Modernization and development in Africa falls victim to the oversimplification of choice, by labelling that which is non-western as irrational, and that which fits a given understanding of how resource should be managed as rational. The assumption that the priority structures that inform choice should be cross-culturally homogeneous is not valid. Before establishing the realities of the relationship-based economy, it is necessary to examine the relevant literature regarding the voids present within the classical conception of “rational choice”, in addition to the academic foundations of Relatio.

The most basic framework of rational choice finds individuals “revealing” preference through choosing one bundle of goods or services over another, given constrained resource and boundless desire. It is assumed that consumers want to choose the best possible bundle of goods, and so long as preferences are complete (a consumer either values one good over another, or is indifferent between the two), reflexive (one bundle is at least as good as an identical bundle), and transitive (the ranking of bundles has a logical flow: If $A = B$ and $B = C$, $A = C$). Complex, human reality generates a larger amount of variables that demand more sensitivity than this basic structure provides. In her work *The Power To Choose*, Naila Kabeer details the evolution of alternative choice models.

2.1 No house is an Island

One of the first alternative models, Becker’s New Household Economics, introduced many new perspectives for choice analysis. The Beckerian household took into account the social responsibilities of the individual, arguing that—rather than imagining an isolated individual consumer as the target for choice-analysis—the entire household must be taken into account when determining preference. In addition, this perspective viewed the household as an agent of production as well as consumption, which led to the two-stage decision-making process for resource allocation. First, the production decision made to maximize the output of the each member of the household, then the allocation of the resulting resources amongst household members(Kabeer, 2000)□. This helps to shed light on household choice patterns (such as the role of gender in employment-seeking behaviour) expanding on strict, individualized rationality. By viewing the process of economic choice in terms of households rather than individuals, it is also possible to take into account behaviours not measured by the formal economy, such as childcare, cooking, cleaning, and other unpaid household duties. Through the lens of comparative advantage, the household’s choice to keep a female potential wage earner out of the labour market seems more rational, as women are perceived to be comparably more efficient at household duties.

2.2 Rational, To Whom?

Another obstacle for the simple form of rational choice involves the aforementioned plethora of variables that the average consumer is faced with. Taking the promise of optimality of rational choice at face value, one must also assume that the consumer is not only privileged with the knowledge of every potential alternative bundle, but is also able to instantaneously engage in the calculus requisite for the ordering of these bundles. It is, in reality, the case that the consumer acts while considering only the bundles to which he or she is familiar, and the optimality of the choice is limited by the ability of the consumer to weigh preference in real-time—were this were not the case, incidences of “buyers remorse” would be unheard of. The truth of rationality, as Louis Baudin finds, is that “it can, of course, err: erroneous reasoning remains rational. It is the insufficiency or absence of reason which determines

irrationality”(Baudin, 1954)□. While rational choice holds that a consumer chooses the “best bundle” given logical preferences, it is the case that a consumer’s preferences can be volatile, and that what is rationally preferred in one instant can be altered the next. It is not the resulting satisfaction with a given choice that makes that choice optimal, but rather the fact that the choice was deemed optimal at the time, given some linear sequence of preference. With the introduction of this concept, rational choice is entangled in a knot of subjectivity; where the “logic” of one’s choice is relative to the period in which the decision was made. Baudin states further that it is necessary to draw a distinction between nonconformism and irrationality; to this end, he lends an example of a South American villager making flutes. As more flutes are ordered from the villager, the price per flute increases. The author, bewildered by the price schedule that discourages mass purchasing, asks the villager the reason for the seemingly backward business plan; to which he replies: “to make one flute is fun; to make six would bore me; to make twelve would be simply unbearable”. This example demonstrates two important facts; first, that despite the economist’s ideas of what might inform choice behaviour, preference and choice rationale are unique to the individual; second, that production choices can be informed by non-monetary inputs, and in many cultures, these inputs have more significance than cost.

2.3 The Myth of Pinocchio

The appreciation of individual preference is important, but equally important is the realization that, without the social freedom to choose, this preference is rendered irrelevant by the choices of those who do possess such power. Returning to Kabeer, she explains that within a household behaviour is “underwritten by a series of ‘implicit contracts’ which spell out the claims and obligations of different members to each other and which are backed by the norms and rules of the wider society”(Kabeer, 2000)□. Given the breadth of the household choice function, the most important question becomes, “Who makes decisions within the household?”. In a perfect world, one could assume that household choice is simply that—production and consumption based on the aggregate demand of the entire household; in many, if not most cultures, however, these choices are made almost exclusively by the male. Other members of the household have input in the decision making process, but this input is relative to cultural norms and intra-household bargaining games. Kabeer also refers to rationality that factors in inert behaviours, or patterns of action that don’t require choice. “Inertness”, Kabeer writes, “reflects the fact that many aspects of behaviour are governed by rules and norms which have evolved over time on the basis of recurring events and which help to create routines and customs in different domains of decision making”. In this way, choice (or the ability to choose at all) is bound by expectations of actions and identity within a greater society. According to George Akerlof and Rachel Kranton, one’s identity within society is determined by a system of payoffs, based on action. They chart the course of societal identity determination with four assertions: “(1) People have identity based payoffs derived from their actions; (2) people have identity based payoffs derived from others’ actions; (3) third parties can generate persistent changes in these payoffs; and (4) some people may choose their identity, but choice may be prescribed for others”(Akerlof & Kranton, 2000)□. The pairing of Akerlof and Kranton’s findings with the “inertness” mentioned by Kabeer helps to describe a system in which the individual’s ability to act independently is severely restricted; first by the nature of his or her inert responsibilities, and second by the identity he or she is prescribed as a result of the social pay-off structure.

2.4 The Altruist Paradox

This element of choice, or lack thereof, is also informed by Amartya Sen’s concept of the “perceived interest response”, where one’s sense of self-worth relative to others can lead to the sacrifice of well-being in the short-run to serve one’s long-run interests(A. K. Sen, 1977)□(A. Sen & Related, 1997)□(A. Sen, 1999)□. Sen’s work is largely concerned with this anomaly of rational action known as “altruism”. Attempting to explain pure altruism through a rational-choice frame is a bit like being awarded a prize for humility: any attempt to use it for what it was intended negates its existence altogether. In other words, if altruism can be expressed in rational terms, it becomes a rational action, and can no longer be considered purely altruistic. Herbert Simon writes that “within the framework of neo-Darwinism...it has been hard to account for altruism, behavior that reduces the fitness of the altruist but increases the average fitness in society”(Simon, 1990)□. He mentions the reciprocal models of altruism, which state that the altruist expects those benefiting from the altruistic act to ‘return the favour’ (dismissible, however, on the aforementioned “humility prize” grounds), and adds his own explanation of genuinely altruistic behaviour. Simon’s model argues that sensitivity to social influence balanced against the net social benefit of altruism creates a social situation in which a certain level of non-reciprocal altruism can emerge. In this case an intuitive sense of community or instinctual commitment to the social whole facilitates behaviours that, in the short run, could be considered a violation of self-interest. Though Simon’s assertion is that this type of behaviour in a group can be considered altruistic, when taken to a higher plane of perception, it can also be

considered quite rational. When one's short-term and long-term survivability are strongly linked to the survivability of the whole, such actions which improve average fitness at the expense of individual fitness become an important tools in the maintenance of personal security.

2.5 The Salt of Life

We have seen rationality develop from an individualized binary system of preference modelling to a complex social matrix of bargaining and identity, with each new insight into rationality offering simultaneous insight into those facets of human behaviour that have eluded previous analysis. Through Becker's New Household Economics, the concept of the individual was expanded to include a dynamic range of actors, who bargained for influence over economic behaviour. False irrationality (due to imperfect information access or processing, as well as misconceptions of rationality) presents another challenge to analysis and predictability. The impact of society on choice also forms an obstacle to pure rationality, through both inert behaviour and socially prescribed identity. The impossibility of rational altruism means that, if self-sacrificial behaviour is to be factored into any form of rational analysis, it must be linked to some internal or social pay off structure. It is important to remember that the economic avenues for analyzing choice should be one-way streets; in other words, the course for the economist should be to take observed behaviour and construct a model around it, rather than to construct a model into which facts are forced to fit. With the great stake placed in rationality as a determinant of economic behaviour, it is easy to forget that economic behaviour is the source of our notions of rationality in the first place. Perfect rationality is not the end point of a utopian economy, much to the contrary; it is merely the lowest common denominator between the economist and the incredibly complex, organic, and unpredictable reality of human choice. Louis Boudin puts it most eloquently: "Irrationality is not only necessary, it is pleasant, it is the salt of life; irrationality must be credited for carrying us through dreams and away to fairyland, for throwing into the monotony of daily life a note of fantasy. Intense and prolonged rational behavior tends to destroy man's vitality"(Baudin, 1954)

3.0 The Relatio Economy

With this understanding of rationality in place, the uniqueness of the African economic experience is made clearer. Though previous models of economic behaviour are able to explain this experience to some extent, there exists a dimension of activity that remains unaddressed. Household economic analysis can help to describe the collective nature of decision-making on a day-to-day basis, but falls short of expressing the breadth of African identity; The cultural boundaries, especially in rural area, certainly impose a great deal of inert behaviours and responses based on social identity, but the exact means by which these forces impact long-run and short-run decision making aren't adequately understood; many economic patterns are falsely labelled as irrational, and seemingly altruistic acts abound, but no means for distinguishing between the two has been made available. While many of the aforementioned elements restricting choice are present in African society, the reality of resource allocation goes further than mere bounded rationality. By taking an in-depth look at first the macroeconomic, then microeconomic structure of the relationship-based economy in rural Africa, the depth of this uniqueness can be fully realized.

3.1 Relatio on a Macroeconomic Level

If one were to strip a typical Western economy to its basic elements, one would most likely find a banking system, a system of markets, and a system of regulation. These can be understood as formal interpretations and answers to larger issues facing a given population. Banking providing for stability and growth, markets facilitating in the flow of information and maintaining purchasing power parity, and systems of regulation to create fairness – in terms of defence against market failures like monopolistic competition - and uniformity. Surely, there are more elements to be considered, as well as overlap between systems – e.g. a bank is a firm and also part of the market - but for the purposes of this example, it is possible to focus simply on the primary actors involved in answering the basic questions of economic production and allocation. Relatio satisfies the basic needs of an economic system by replacing classical economic actors with relationship-based alternatives.

3.1.1 The Bank of Relatio

The formal banking systems as understood in a classic economy are in short supply, and very difficult to access in rural areas; however, the primary purposes of a banking system are satisfied. In essence, the banks functions are three-fold: the long-term financial security of individuals (established through savings), the short-term provisioning of resources (made available through loans), and a means for making the exchange of goods and services fungible (provided by the

Central Bank and circulation of currency).

These are realized in Relatio through what can be thought of as an informal, inferred system of “relationship credit”. Each individual actor has an unwritten account, which is managed by the greater society. One makes “deposits” into this account through displaying good character, following social norms and obligations, and by unquestionably releasing resources as they are needed; one makes “withdrawals” by displaying poor character, breaking taboos, and—to a lesser extent—requiring resources of others. Therefore, within this system, it is possible to secure one’s future, by obtaining social value, and maintaining connections with the community. Intangible though the allocation of resource based on mere trust may be, it is also important to remember that circulated paper currency is no more than a statement of trust itself. The exchange of paper money for “all debts, public and private” is only made possible through a socially acknowledged trust in the government issuing said currency. As Louis Baudin observes, “...it is an instrument used by the mass of individuals and it rests on confidence sanctioned by habit. Variations of its internal value are slowed down at the beginning of inflation and accelerated as soon as a certain threshold of mistrust is reached”(Baudin, 1954)□. Despite this, those who aim to accumulate currency are not deemed “irrational”, nor is the abstract system of paper money difficult for the average consumer to comprehend. In the Relatio, it is simply the case that the physical link to the same symbolic exchange has been removed, and the same trust has been individualized.

The second obligation of a banking system, the short-term allocation of resources, is realized through similar means; one’s social status and relationship value replaces Western systems of credit scoring and collateral almost directly. If an individual has a need, the immediate questions presented to the creditor are: “What is the standing of this individual” and “What is the immediacy of this need”. They are asked in this order, as the standing of an individual can potentially override the necessity of the second question. Because rural areas are resource-limited, the margin of error for the allocation of resource must be kept razor thin. For this reason, it is much more common to see resources to be dispensed rather freely for short-term needs like food, planting, or piece-work, while it is more rare to see resources allocated for long-term, high-risk projects. This is not to say that long-term project do not exist, but merely that in the realm of individual credit, priorities are mostly bound to daily needs.

Finally, the system of making the exchange of goods and services fungible is fulfilled primarily through loose conceptions of individual property, and trade of goods and services, again, governed by the social standing and need. While currency is certainly used, the money supply is relatively low for several reasons: the inaccessibility of the nearest formal bank (taking a few hours travel time through irregular transport from Macha), and the lack of wage-based employment by sources outside of the community, among others. In this way, the traditional function of currency as a means of making resource allocation efficient is hindered by the lack of infrastructure to make it properly fluid. As a result, the “flow of money” - in terms of value - is forced to form serpentine tributaries to maintain its course of converting value. This transformation manifests in the sharing of all resources within the community, that to an outside observer, may appear to be irrational, altruistic action. This is closely related to the concept of social capital. Gunnar Lind Haase Svendsen and Gert Tinggaard Svendsen write of in their article, “On the Wealth of Nations: Bourdieueconomics and Social Capital”. They find that “social capital ‘lubricates’ civic society. The outcome is a voluntary provision of collective goods...reduc[ing] transaction costs and enhanc[ing] economic growth”(G. L. H. Svendsen & G. T. Svendsen, 2003)□. The system of “relationship credit” can also be thought of in terms of social capital. The perspective set forth by Svendsen and Svendsen is one of “‘Bourdieueconomics’—[which] involves the usage of a capital theory that, methodologically, operates with economic and cultural forms of capital at the same level”. In other words, relationship credit can be thought of as simply an additional—equally significant—form of capital.

Once the “Bank of Relatio” is understood (that wealth is created socially, that resources are allocated based on social position, and physical currency is not efficient) it is clear to see that “altruistic” actions are methods for securing value, as valid as wage labour—if not more so. It is important to recognize that this system doesn’t follow Western conceptions of strict accounting; no “books” are kept, and the level of credit afforded is determined more by ones place in the social hierarchy, and less by the resource burden one may create. The behaviours and facts that reflect one’s relationship position have much more impact on the allocation resources than concrete data, financial transactions, or even the amount of resources available.

3.1.2 The Relatio Market

The system of markets, another key element to the classical economy, differs from the banking system in that there exists in the rural area a thriving market system in a tangible, classical sense, while the banking system finds no such physical counterpart. At this point it may be necessary to digress, for the sake of clarity, with a further elaboration of the

parallel economic systems. While a market system exists concretely, it is important to realise the existence of the relationship market as an actor in the local economy on a different level. Purposing two simultaneous separate, yet interrelated, systems of satisfying the needs of an economy may seem confusing; it is the case, however, that while the formal systems act in the foreground, a second, and equally significant relationship system operates in the background. It is with that system this paper is concerned. As the economic system satisfies needs through the allocation of tangible resource, the relational system satisfies needs through the allocation of abstract resource. With this in mind, it is necessary to pull focus momentarily from the tangible system of markets and management, and turn instead to their abstract equals for fulfilling the fundamental needs of an economy.

To extend the previous parallels into those of the market of Relatio, if the banking system of Relatio mints currency and manages credit, the market of Relatio is the way in which this currency is used, and credit established. In addition, it serves to increase stability and predictability by acting as a means for sharing information. This is accomplished through the demonstration of character in the community, through proving trustworthiness, as well as investing in relationship as a part of daily life. It is a common sight in the Relatio economy to see an individual stop between work activities to engage in extended social interaction with another community member; this type of activity has been incorrectly observed by many as a lack of focus, ambition, or work ethic. In reality, it is a type of multitasking—transitioning from a tangible form of accumulating resource to an abstract means for the same.

3.1.3 Regulating Relatio

Much like physical markets, language, or many other large-scale works of social invention, an individual is able to understand, interact with, and obtain a high level of mastery within the market of relationship, however the individual is unable to control it in its entirety. This is the point at which the means for regulating relationship is necessary. Though the average individual in a community is unable to make large changes in the overall norms and values that define what is possible in the relationship market, certain individuals of high standing are. In the same way a government may institute price controls that violate the normal equilibriums of a market, a socially significant actor—such as a chief or headman in the rural area—is able to mandate realities within relationship. As mentioned previously, a person's standing, or relationship credit level, determines his or her treatment in the community. This manifests in many elements of day-to-day life, from one's ability to procure resource in time of need, to the willingness of others to include one in economic activity. These socially defined standards of behaviour are communicated through the market; however, a proclamation to the contrary from a person of authority can override the tendency of the market. Following the price-control parallel, it is also the case that such an action can result in inefficiencies, as the socially determined character of the individual is most likely based on repetitive observation of behaviour, and therefore, set with a high level of accuracy.

It is true that relationship building and maintenance is not an idea foreign to western business or economic modelling—to be sure, strategic networking and trust building are some of the most useful tools of the trade for the successful entrepreneur, businessperson, and worker in any economy. The crucial distinction is that in the African experience, relationship is not merely an element of economic success, it is an end and form of success all its own. One way in which this dual-mindedness can be understood is by looking at Helmut Heisler's analysis of the colonial and post-colonial response to the accumulation of monetary wealth in Zambia. He finds that “wage labor was often regarded by the rural African as another means by which his fortune and that of his rural society might prosper. European clothes, for instance, might earn him more esteem within a precapitalist society...”(Heisler, 1972)□. In this way, as an individual was technically working for a wage, his end objective was based in relationship success. In addition, Heisler cites Elizabeth Colson's finding that “[m]oney was interpreted as an equivalent of some other valuable and was not accepted as an independent standard of value through which other items could be equated”. Certainly, these initial reactions to wage labour and currency have changed dramatically over time, but it remains an important insight into the essential structure of priority, and the split interest between relational and monetary success.

3.2 Relatio on a Microeconomic Level

From this macroeconomic foundation of relationship-rationality, the structure of microeconomic behaviour is built—with the most significant difference between the classical economic system and the system of Relatio dealing with the budgeting for long-term vs. short-term stability. The traditional capitalist approach to the day-to-day decision making process is primarily concerned with the accumulation, interpretation, and application of hard data to inform the production or consumption process. For the average firm, each short-run step mandates an elaborate sequence of project proposals, financial projections, market analyses, and other attempts to promise secure investment. In this way, each

choice is made from a place of stability, attempting to eliminate as much risk as possible. The economy relies on its ability to predict outcomes and trends by meticulously analyzing current information, and by requiring as much detail as possible from those with whom it interacts. This tendency of valuing short-run security renders long-run stability nearly irrelevant; if each step made in the short-run is carefully premeditated—and informed by each previous step, what is a few calculated steps down the road cannot present much of a challenge. This is not to say that planning for the future does not exist—undeniably, five-year plans pack the training manuals of even the smallest economic contenders—but the potential of these plans is most likely still factored through the calculus of short-term feasibility.

By contrast, the majority of actions undertaken by the actor of the Relatio mindset are working towards long-run stability. The African experience—through the instability of environmental, political, medical, and other factors—has demonstrated the utter unpredictability of the short-run, while security in the long-run is limited only by the aggregate life-span of every member of the community to whom the individual is connected. This distinction helps to explain certain behaviours, such as the constant expansion of one's social network, the extreme efforts made to attend significant social functions (such as weddings and funerals), and the willingness to surrender resources needed for short-run development. What is made available in the short-run is consumed completely, immediately, and in some cases, without much discrimination. This is due largely to the aforementioned unpredictability of day-to-day circumstances; if a resource is available now, it is best to consume it before it diminishes, decays, or is taken away. With relatively stable long run provision, or at the very least, long run provision that is linked to the success or failure of the community at large, pitfalls and hindrances in the short run can be easily endured.

Thus, each society—both the classical economic and relational—is most concerned with the less-secure term, the long-term for the former, and short-term for the latter. This dictates both choice patterns and the rationing of surplus: when choice is possible, it is made towards the more secure term, when surplus is available, it is invested in the less secure term. In this way, the cycle of incentive is effectively sealed—with western economies placing high priority on entrepreneurial success and innovation in the short-run, in order to minimize the uncertainty of the long-run, and relational economies placing high priority on egalitarian unity in the long-run, in order to make resources more elastic in the short run. In practice, this perpetuates the two contrasting paradigms through the encouragement of competition in one system, and discouragement of individualism in the other. In essence, the Relatio economy is perceived as a zero-sum game, wherein resource possessed by one individual is resource unavailable to another. Thereby, the accumulation of surplus is monitored under strict scrutiny by the community at large, and the use of surplus for personal gain can be detrimental to one's relational success. Returning to the social-capital work of Svendsen and Svendsen, one can see evidence of this negative aspect of social connectedness. They point to an example from Malta, wherein a village community's extreme closeness made it so that “demand for participation in joint activities ultimately leads to a demand for conformity”(G. L. H. Svendsen & G. T. Svendsen, 2003)□. They suggest that this “curtailed freedom” helps explain what is known in the development community as “brain drain”. This tendency for the “best and brightest” in a population to leave in search of better opportunities is commonly attributed merely to the existence of greater opportunities outside of the immediate community, rather than what is observed in the Relatio economy: initial environments that are hostile towards entrepreneurial or independent attitudes. Though this long-run provisioning may discourage specific plans for expansion, investment, or opportunity in a Western sense, it is important to note that it exists because it satisfies the primary goal of the Relatio economy: to maintain social harmony and sustenance.

4. CONCLUSIONS

We have seen how the system of Relatio allocates resource in macroeconomic terms, by satisfying relationship equivalents of banking, markets, and regulation. On the microeconomic level, Relatio manifests in the contrast of time-horizon priorities between traditional rationality and Relatio. As mentioned previously, it is not the case that the Western economic conventions and Relatio-based economics are mutually exclusive; both dimensions of behaviour are undeniably present in all human activity worldwide. It is the case, however, that the dominance of one over the other, and the awareness of the intricacies of each system vary widely cross-culturally. It is suggested here is that, in order to foster effective economic symbiosis, the primary mode or dimension of economic rationality must be fully understood.

By understanding these basic principles, the hindrances of development managed exclusively through a Western understanding of economic rationality are clear. Without the active membership in the “Bank of Relatio” (that is to say, the community at large), the effectiveness of the even sustainable and financially sound projects will be severely limited; without making efforts to display character and actively invest the social market, the take-up rates and acceptability of the best researched projects will be cut short; without the submission to and respect for social hierarchy,

the most promising developments will be restrained. It has been established in the literature that a chasm exists between conventional models of rational choice and the type of choice that governs economics in the African environment. This paper echoes the plea of Helmut Heisler for the “study of the behavioural and structural determinants of economic action”(Heisler, 1972) not only in Zambia, but as far as the Ubuntu philosophy has impact. There is a human predilection to value only those systems that can be effortlessly observed, deconstructed, and ultimately, controlled; perhaps due to this bias, the full potential of an Ubuntu based model of economic rationality has eluded academia. Recalling the opening epigraphs, the significance of recognizing this facet of African uniqueness is most crucial to Africa’s economic success. This uniqueness is expressed in Kenneth Kaunda’s contrast of Western and African mindsets, and his observation reveals two complementary priority structures. In the past, emphasis has been placed solely on the development of Africa on Western terms; it is time that we begin to “experience people”, and view the process to achieve sustainable progress as an exchange not only of physical capital and currency, but also of values and culture. Development must also be conducted on the terms of those being “developed”. This process requires a shift of priority from front-loaded, formula-obsessed, pre-packaged development tactics toward more creative, long-term, flexible programs that invest genuinely, not merely on a financial level, but on a relationship level as well. As stated previously, without the accumulation of capital in the Relatio dimension—without the development of an interface between the material and the relational realities—any project is severely handicapped, if not completely crippled. By embracing Ubuntu-economics, the vibrant complexity of human behaviour can be released from the shackles of traditional rationality, and appreciated as an unrestrained force of culture, development, and true sustainability.

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