

that this was unfair, approached the master one day and suggested that they pay him for his time and effort. Setting down his bamboo *shinai*, the master calmly replied that if he charged them, they would not be able to afford him.

IN THE PREVIOUS experiment, then, those who got paid 50 cents didn't say to themselves, "Good for me; I get to do this favor for these researchers, and I am getting some money out of this," and continue to work harder than those who were paid nothing. Instead they switched themselves over to the market norms, decided that 50 cents wasn't much, and worked halfheartedly. In other words, when the market norms entered the lab, the social norms were pushed out.

But what would happen if we replaced the payments with a gift? Surely your mother-in-law would accept a good bottle of wine at dinner. Or how about a housewarming present (such as an eco-friendly plant) for a friend? Are gifts methods of exchange that keep us within the social exchange norms? Would participants receiving such gifts switch out of the social norms and into market norms, or would offering gifts as rewards maintain the participants in the social world?

To find out just where gifts fall on the line between social and market norms, James and I decided on a new experiment. This time, we didn't offer our participants money for dragging circles across a computer screen; we offered them gifts instead. We replaced the 50-cent reward with a Snickers bar (worth about 50 cents), and the five-dollar incentive with a box of Godiva chocolates (worth about five dollars).

The participants came to the lab, got their reward, worked as much as they liked, and left. Then we looked at the results. As it turned out, all three experimental groups worked about