Exchange in American and Australian Public Bars:

*Tipping as a Social Fact*

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Abstract

This comparative ethnography explores the ambiguous and contingent nature of exchange relationships, through an analysis of ‘tipping’ in the form of money given to service-employees. Previous attempts to explain tipping have proved inadequate and the phenomenon remains a credible threat to the validity of economic doctrine, particularly its foundational axiom of utility maximisation. I present tipping as a Durkheimian ‘social fact’ possessing multiple dimensions, including a combination of economic and social characteristics. Its ability to be understood objectively as well as experienced subjectively affords tipping various meanings and an ability to facilitate multiple types of relationships. This conceptualisation of tipping sits in stark contrast to that used by previous researchers, who usually present tipping as a commodity traded for service. This dissertation provides answers to three questions: Why is tipping so prevalent in the USA and so uncommon in Australia? How do people incorporate tipping into their interactions with each other? What does tipping mean to both givers and recipients?

Historical comparison demonstrates how attitudes and practices regarding tipping evolved differently in the USA and Australia. Different demographic compositions in the late-nineteenth century underpinned distinctive labour relations and ultimately how service-employees acquired most of their income—informal tips in the USA and formal wages in Australia. Participant observation within two public bars was undertaken to appreciate how these legacies were incorporated into people’s everyday interactions. Consistent with national histories, American participants exchanged informally, with tipping being seen as both customary and crucial to interactions. Australian participants tended to undertake exchange according to formal rules, with tipping being rare and marginal to proceedings. Tipping acquired different meanings in each setting, but these meanings were consistent with, and supported, the social structures and modes of interaction in which they took place. As these meanings of tipping reflected and reinforced the relationships of
which they were a part, what tipping means to people is taken to be a crucial component of why it is practiced.

This dissertation demonstrates the recursive relationship between social structures and cultural values. National ideologies underpinned the creation of particular social structures in America and Australia, which have led to distinct income arrangements for service-employees. These income arrangements (such as the variable tips and fixed wages discussed here) influenced people's incentives regarding tipping and working. Economists appreciate that people respond to incentives but anthropologists recognise that such responses depend upon the value system within which the actor operates. This comparative examination suggests that each incentive structure is associated with both distinct behaviours and different modes of being regarding bar life—including different approaches to exchange, distinctive forms of bartender-patron relationships, particular understandings of ‘space,’ and different expectations regarding ‘bartending work’ in each venue. Considering the history of labour relations in the USA and Australia in conjunction with ethnographic detail of two public bars within those nations suggests that social structures and cultural values operate upon each other, and that a single expression of either (tipping, for example) cannot be understood without considering both.
Declaration

This is to certify that:

i. the thesis comprises only my original work towards the PhD,

ii. due acknowledgment has been made in the text to all other material used,

iii. the thesis is fewer than 100 000 words in length, exclusive of tables, maps, bibliographies and appendices.

John Francis Burgess
Preface

In 2009, I was approaching the end of my anthropology coursework and was in need of an idea for a post-graduate research project. At the time, my interesting ideas were not practical and my practical ideas were not interesting. It was in this state of discouragement I went to a bar, in Melbourne’s inner city. After paying for a drink the bartender asked whether I was going to leave a tip. The intonation of her question communicated it to be more of a demand, particularly as she rattled the coins in the tip jar. This shocked me, to say the least. I had not planned on tipping and told her so, a decision she then asked me to justify. After admitting I had not thought much about it before, I awkwardly suggested that I believed the minimum wage in Australia was sufficient, negating any need for tipping. She replied that, in fact, her wage was inadequate. Furthermore, she asserted, my opinion on the matter was invalid since I did not have service industry experience. Then, she walked away. This event left me confused but also with the beginnings of a research question—why do people tip?

The fact that what I took from this interaction was a question relating to why people would voluntarily give money to a service-employee—as opposed to being concerned with some other issue, such as the obvious gendered element of the encounter—was probably due to my previous life in economics. My past, which included an undergraduate degree in economics followed by practicing as an economist, seemed to have been reactivated in the form of questions relating to income, payments, and exchange. Prior to returning to university to study anthropology, I absorbed and applied the tenets of economic theory, only to see first hand its inadequacies and failures. It was common for the economists I worked with to rationalise the mismatch between predictions of economic modelling and the way people actually behaved; they often suggested such failings were not with the models themselves but everybody else’s inability to understand economic reasoning. It was tempting to subscribe to this excuse when everyone I worked with and for was promoting it. Eventually, however, I did leave that world, only to have it re-emerge when constructing an anthropological research question.
That said, my relatively new education in the Arts ensured the question began as something more contextualised than ‘why do people tip?’ My understanding in 2009, supported by subsequent research, was that tipping in Australia was reasonably uncommon. Certainly in previous generations it was almost unheard of; my parents, and their parents, did not tip and thought it rude to do so. It seemed, however, tipping was becoming more common in contemporary Australia (and, apparently, expected by at least one Melbourne bartender). So, my original question did not just relate to why people tipped but how it was that Australia had gone from being a society comprised of vehement non-tippers to one where tipping did occur, even if only occasionally and by only some people. In that sense, I viewed the question to be more about social change, with tipping practices as the vehicle with which to explore that. As the project progressed, it became apparent that it was difficult (if not impossible) to research tipping without incorporating reference to the United States of America, the widely accepted ‘home’ of tipping. So, the question expanded to include a comparison of Australia and the United States. It is a comparison that takes place on two broad levels—one socio-historical and the other ethnographic, based on participant observation in a public bar in each country. Ultimately, it seemed to me, any understanding of tipping required speaking to so many aspects of social life that I present it here as a ‘social fact,’ in the Durkheimian sense.

As it turns out, tipping is a phenomenon that has received much academic attention in recent decades. This attention has primarily come from economists, with very little from anthropologists. I do not use this dissertation to suppose the superiority of an anthropological perspective. Instead, I put forth a complementary argument that engages with the efforts of my former colleagues, while avoiding some of the shortcomings of their conceptualisations and analyses. Likewise, while this dissertation involves, in part, a comparison of two nations with distinct systems of compensation for service-workers and associated attitudes and practices, I do not propose that one system is ‘better’ than the other. Nor do I make a judgement about whether or not people should tip. Whether any particular practice is ‘good’ or ‘bad’ is something for readers to decide themselves. Finally, I acknowledge that the issues I magnify, pull apart and put back together are influenced by my own experiences, capacities and
dispositions. This, in turn, led to this dissertation taking on its distinct shape with its own particular strengths and limitations.
Acknowledgments

I am deeply grateful to my supervisor, Dr Monica Minnegal, and co-supervisor, Dr Emma Kowal. I thank them for their efforts, insights, guidance, and patience. This dissertation and my education have benefited immeasurably as a result of their involvement. I also owe much to the people of my two field sites. I thank them for affording me access to their world and for their forbearance. I place considerable value on the many informal discussions I have had regarding this project with various people, including Dr Peter Dwyer, Dr Russell Thomson, Tracey Pahor, Hillary Richard, and everyone who has been involved with the University of Melbourne’s Ethnography Forum. The Graduate Student Association was kind enough to provide me with an office space throughout the past year, for which I am very appreciative.
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“To be honest, I don’t see the point of your research. I tip based on service and that’s that.”
Introduction

The process that results in a person giving to another is complex and elusive. How is it that someone comes to feel the time is right to give and how do they know what to give? ‘Experience’ seems a reasonable place to begin. Through experience a person comes to know how others generally answer those questions. But how do those general understandings eventuate and what supports them? I approach these questions through an analysis of the phenomenon of tipping, the act of giving money to service-employees, comparing attitudes and practices with respect to tipping in the United States of America and Australia. There are considerable differences between these two countries when it comes to tipping. Americans seem predisposed to tip in many situations. Australians are not, even though they sometimes do tip. Experience in either country would give very different understandings of what and when to give to service-employees. To find out why this difference exists, and shed light on the meanings of this particular kind of gift we call a tip, I analyse the social structure of each nation from a historical perspective in conjunction with ethnographic descriptions of how people interacted in public bars, a setting where tipping is familiar. I open this dissertation by discussing how I conceptualise tipping, my research questions and the way I went about answering them, followed by an outline of how my thesis develops.

Tipping

Tipping is a challenge to the dominance of economic doctrine. A tip is, generally speaking, given ‘voluntarily,’ at the discretion of the customer, and after the service-employee has performed their task. This practice, then, appears at odds with a central plank of microeconomic theory, the axiom of utility maximisation. According to that axiom, a person’s ‘rational self-interest’ would preclude them from giving money away in the absence of a contract from which they also benefited. Thus the practice of tipping in restaurants, public bars, hotels and taxis, to name but a few workplaces where service-employees receive such gifts of money from strangers, prima facie destabilises the foundation upon which an entire discipline is based. Numerous economists have tried and, so far, failed to
account for this apparent anomaly. Anthropologists, however, have expressed little interest in the phenomenon. Perhaps anthropologists perceive it as outside of their domain, because tipping involves money (see Zelizer, 1989). This seems unlikely, however, given the considerable amount of anthropological attention money has received (see Maurer, 2006). Perhaps tipping has slipped under anthropology’s radar, since economists proclaim it to be simply a payment in disguise (dealt with in chapter 1) and thus best left for them to handle. But a tip is not simply a payment. This dissertation thus considers tipping from an anthropological perspective and argues that what tipping means to people is crucial to understanding it.

This study builds upon a bare anthropological literature of four pieces of research that deal directly with tipping. Carlson’s (1977) description of a nightclub details the strategies used by waitresses to increase tip receipts from patrons whom fall short of their, so called, “economic duty” (1977: 337). Foster (1972) argues that the roots of tipping lie in its symbolic capacity, particularly in its ability to allow a restaurant patron to figuratively share their meal with the wait-person and, in the process, allay what the patron perceives as their envy. Sutton (2007: 192) presents tipping as a way to analyse some of “the contradictions inherent in the culture of capitalism,” identifying tipping as functional but also meaningful and a mode of communication, blurring certain distinctions such as that between ‘gift’ and ‘commodity.’ Suarez’s (2009) ethnography of a Vancouver restaurant draws out a distinction between why people tip and the ways in which they rationalise their tipping; the former, he argues, rests on cultural and moral grounds, while the latter are “reflections of the formalist economic canon” (2009: 307). These rationalisations, Suarez suggests, reflect and maintain the ideological separation of economic and social life inherent in modern capitalist societies. These four studies, together, draw attention to the multifaceted nature of tipping. They leave us with questions about what tipping is, what factors support its practice, what it represents and achieves, and how one might go about understanding it.
**Tipping as a ‘Social Fact’**

To understand tipping requires recognition that it is a ‘social fact,’ a “way of acting which is general throughout a given society, while at the same time existing in its own right independent of its individual manifestations” (Durkheim, 1965 [1895]: 13). A social fact is recognisable, Durkheim argues, “by the power of external coercion which it exercises or is capable of exercising over individuals,” with such power itself identifiable in terms of sanctions or resistance to instances of violation (1965 [1895]: 10). Mauss (1990 [1925]) expands the concept, describing what he terms ‘total social facts’ as phenomena that simultaneously give expression to multiple social institutions—political, legal, economic, and religious (see also Edgar, 2008; Giesler, 2006; Hart, 2007c).

Both Durkheim and Mauss identify specific examples of social facts. Durkheim, for example, argues that both marriage and suicide represent social facts and that the average occurrence of these in any community “expresses a certain state of the group mind” (1965 [1895]: 8). Mauss identifies gifting as a social fact, arguing that the characteristics of a gift given, the way it is done and the reasons for doing so all speak to social institutions and values, even if such connections are not immediately apparent. Sigaud (2002: 336) speaks of Mauss describing gifts as “cloaked in the guise of a present generously offered, even when the gesture that accompanied the transaction was no more than a formalised social fiction which was in fact backed by obligations and economic interest.” A social fact, then, is a phenomenon that, while general in form, has expressions that are always firmly situated in context and can only be understood in relation to context.

A social fact must be approached in a manner that accommodates its contingent and multifaceted nature. Levi-Strauss (1966: 113) notes that “[s]ocial facts do not reduce to scattered fragments.” Furthermore, since they exist in people’s experiences, “subjective consciousness is as much a form of their reality as their objective characteristics.” Therefore, according to Levi-Strauss, to approach a social fact in its totality requires that it be understood “from without as a thing, but a thing an integral part of which is also the subjective understanding, both conscious and unconscious, which we have of it” (1950, quoted in Doja, 2005: 648). In other words, understanding a social fact requires
more than its observation with reference to social institutions. A social fact must be approached taking into account its objective and subjective dimensions. It is for these reasons that I approach tipping as a social fact. A tip, not dissimilar to Mauss’s gift, is often given out of obligation yet typically presented differently. Tipping is an objective phenomenon in the sense that it exists external to the individual, but is imposed upon people and inherited by them through “education” (Durkheim, 1965 [1895]: 1). Further, tipping is made subjective through experience, and therefore not amenable to component parts being studied in isolation. Yet, its practice also needs to be considered in relation to the social institutions and cultural values which give rise to, and shape, it.¹

Tipping as ‘Economic Habitus’

Another way to view this comparative approach to understanding tipping is as a detailing of two variants of ‘economic habitus.’ Pierre Bourdieu describes economic habitus as the mode of being relating to ‘economic’ behaviours, which is acquired and embodied in the course of ongoing social engagement, itself structured by social conditions. Bourdieu’s approach to research, building on the tradition of Durkheim and Mauss, advocates embracing the “social rootedness” (2005: 5) of phenomena and opposes “bracketing out the multidimensionality and multifunctionality of practices” (2005: 3). Bourdieu (2005) is critical of research that originates from the artificial abstraction of behaviour, or a certain aspect of behaviour, as if it operates and can be understood independently of the social order in which it occurs and was cultivated. Research methods that separate out phenomena are common among analyses of behaviours considered to be ‘economic;’ indeed, such has been the approach used by most researchers of tipping. Bourdieu’s response to this is an assertion that all human practice, ‘economic’ or otherwise, is inextricably wrapped up in the social context in which it occurs. Consequently, researchers are obliged “to conceive every practice, beginning with the practice which presents itself...as ‘economic,’ as a ‘total social fact’ in Marcel Mauss’s sense” (Bourdieu, 2005: 1). Bourdieu (2005)

¹ There have been other objects of study that have been characterised as social facts for the same, or similar, reasons. These include, for example, ‘poverty’ (Green, 2006), systems of fixed representations regarding spatial conceptualisation (Levinson, 1998), ‘water’ (Orlove and Caton, 2010), ‘gender’ (Shapiro, 1981), and ‘spectatorship’ (Caplan, 2005).
concedes such an approach forgoes the convenience of analytic precision and formal rigour, but notes that it also opens up the possibility of finding “beginnings of solutions to some of the problems which so vex economists” (2005: 13), such as those relating to charity. This dissertation adopts this research approach to study tipping.

For Bourdieu (2005), the ‘economic habitus’ is a durable mode of being developed in, and adapted to, the social conditions in which it is acquired. Furthermore, as the nature of those social conditions in their entirety are necessarily particular, the economic habitus is “linked to a history...[and] cannot be deduced directly from either the immediate position or the immediate situation” (Bourdieu, 2005: 212). The economic habitus is subconsciously acquired over the course of one’s life, shaping each person's sense of self and their modes of being. So subtle is this process of its acquisition, however, and so deeply is it ingrained in one’s understanding and propensity to action that the economic habitus is often considered by people as ‘given’ and by default the only appropriate mode of being (Bourdieu, 2000). This was something I observed several times during fieldwork in America and Australia; many Americans noted they would never think of not tipping in a bar, whereas many Australians stated that it never occurred to them to do so. These people usually presented these attitudes and behaviours as obvious and my questioning of them as peculiar. However, rather than being ‘natural’ or ‘obvious,’ such attitudes were a “product of a long collective history...acquired in the course of individual history” (Bourdieu, 2000: 25), which could only have developed in the specific conditions in which they existed. Thus I discuss tipping in terms of the modes of being in each bar I examined, couching them in terms of the social conditions and national histories in which they were developed.

Bourdieu (2000) demonstrates the diversity of these taken for granted modes of being—or, forms of economic habitus—when reflecting on his fieldwork in Algeria. He contrasts the economic dispositions formed in the local precapitalist economy, “embedded in relations of group honour” (2000: 17), with the economic ‘rationality’ of the colonisers, revealing significant differences in even basic forms of economic behaviours—for example, whether one expects to
receive change in a store for money tendered or that one must give the exact amount to the shop-keeper. Such dispositions did not transcend social conditions but developed specifically in relation to them; even the “so-called ‘rational’ economic agent is the product of quite particular historical conditions” (Bourdieu, 2000: 18). Bourdieu (2000) is primarily concerned with the imposition of the economic logic of the French colonisers upon those whose economic habitus was developed within the pre-existing social order. It is the clash of the two forms of ‘taken for granted’ understandings and dispositions that is the emphasis in his analysis. In this process, however, Bourdieu seems to imply that the ‘rational’ economic logic of the colonisers is uniform across the ‘West,’ suggesting a singularity with respect to such economic logic and habitus. Those with this Western economic mindset, he asserts, operated “like a fish through water” (2000: 23) within the social order they imposed in Algeria.

The assumption of uniformity in the economic logic of the ‘West’ is inconsistent with the distinct tipping behaviours in America and Australia. While Bourdieu may not have intended to imply Western economic practice was homogeneous, it is important to be clear that modern economies do not operate according to the same principles, the same economic logic, and do not generate the same economic habitus. There are certain generalities that can be made about ‘Western’ industrialised societies. There are also key differences within and between those societies. To continue with Bourdieu’s analogy, just as any given fish is not at home to the same degree in all types of water, no one economic habitus will be at home to the same degree in all ‘Western’ countries. Since there are variations among these modern, ‘Western,’ economies and social structures the economic habitus that emerges in each place will reflect these. The variation in tipping practices and attitudes in American and Australian society, along with various differences between modes of being and understanding in the two bars where I conducted research, illustrates well the particularity and contingent nature of the economic habitus.

**Research Questions and Methodology**

Tipping has been described as a worldwide phenomenon (Boyes et al., 2004), but it seems more widely accepted as an ‘American’ custom (Segrave, 2009). This is
probably due to it being the mode by which millions of US service-employees acquire most of their income (Azar, 2003; Dublanica, 2012). Tipping in Australia, on the other hand, is uncommon (McCrindle, 2010; O’Neill et al., 2000) and certainly not the primary income source for service-employees. With this basic information as a starting point, three specific questions are addressed in this dissertation: Why is the practice of tipping simultaneously so pervasive in America and so uncommon in Australia? (Or, in other words, why do Americans seem predisposed to tip service-employees whereas Australians, despite choosing to tip in some instances, lack that same predisposition?) Given these different predispositions and levels of tipping pervasiveness, how did people incorporate tipping into their interactions? (That is, how did the shape of those interactions incorporate particular propensities to tip?) Finally, what did tipping mean to people involved in its practice?

The similarities between American and Australian societies—they are both English-speaking, ‘Western,’ industrialised, settler societies with stable democracies and operate within ‘free,’ yet regulated, markets—provides fertile ground to cultivate an understanding of the social fact that is tipping. With so much the same between these two nations, what is it about the American context that makes tipping so prevalent? Or, to look at it from the opposite angle, what is it about the Australian context that makes tipping so uncommon? Amid echoes of Durkheim’s (2002 [1897]) study, Suicide, in which he attempts to explain different suicide rates in terms of the dissimilar levels of integration within Catholic and Protestant communities, in this dissertation I first consider different tipping practices in relation to distinct elements of American and Australian societies. Since each tip becomes somebody’s income and is given in the context of service-employment, the national differences I concentrate on are those related to the labour market, including the development of regulations and how they operate.

I go on to describe and consider how tipping was implemented in two public bars, to access the subjective dimension of tipping, which Levi-Strauss points out is crucial to the understanding of social facts. In 2011, I conducted participant observation within two bars, which I refer to as Freddy’s Bar and
Frank's Bar, which operated in Brooklyn (New York), USA, and Melbourne (Victoria), Australia, respectively. These two bars exemplify ways in which objective factors—that is, factors external to participants, such as political structures, labour market regulations and general attitudes with respect to tipping—are rendered subjective by experience and practice. As America is similar to Australia, so was Freddy’s similar to Frank’s. The two bars were chosen on the basis of their structural similarity, detailed initially in chapter 2 but expanded upon where relevant, so that the influence of social context could remain visible during the consideration of life in each bar (including what tipping meant to participants). A similarity of note was that Freddy’s and Frank’s were owner-operated. The owners of each venue were actively engaged in operations, alongside bartenders and patrons. This brings into focus the three-way dynamic of service-encounters, in contrast to the standard approach to tipping research, which has primarily focussed on how employees and customers interact. The ethnographic descriptions that emerge detail how broad social factors play out in people’s interactions, exchanges and relationships. Interpretations of tipping practices are situated within this more general description of bar life. That is, tipping is examined in relation to people’s general modes of interaction within each bar, as well as with reference to broader social factors.

To study tipping as a social fact, including broad social factors regarding America and Australia in conjunction with ethnographic descriptions of two bars, necessitates covering a wide and diverse range of literature. I begin with a review of research that directly relates to tipping. Following this, since tipping researchers usually define tipping as part of a trade, I rely on the etymological literature to shift the definition in order to capture tipping’s gifting component. As tipping is practiced informally, I draw on the ‘informal economy’ literature as a way of highlighting certain distinctions between American and Australian society; such distinctions are also used as a basis for understanding subsequent chapters. As focus moves more directly towards Freddy’s and Frank’s, I apply the anthropological literature regarding ‘space’ as a way to characterise the general

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2 Names given for bars, and the people encountered in them, in this dissertation are pseudonyms.
nature of relationships in each venue. Bartending work is considered primarily in relation to the ‘emotional labour’ literature, as it helps to make sense of production processes in Freddy’s and Frank’s. Understanding these production processes is necessary as it was the outputs of such processes that were exchanged with patrons. Finally, the meanings of tipping are discussed in light of the ‘gift exchange’ literature and the discussions developed in previous chapters, regarding social structures and expressions of ‘being’ in each bar.

Despite this breadth, in other ways this dissertation is specific and, to that extent, limited. First, the America-Australia comparison is focussed on certain aspects of the two societies, particularly issues pertaining to the labour market and exchange, and does not purport to cover all aspects of social life. This particular limitation is something Beattie (1959) notes is typical of anthropological studies, whether or not it is recognised by the researcher. Second, a similar concentration of attention takes place with respect to the ethnographic descriptions of the two bars, Freddy’s and Frank’s. Atkinson (1992) points out that ethnographic description is not a medium capable of representing everything about a field site; choices have to be made about what is included and what is left out, with such decisions relating to the observer’s perspective and, particularly so in this case, the issues the researcher is seeking to address. Since my major concern is to identify how social factors relating to exchange played out in each bar my focus was directed at the dynamic between owners, bartenders and patrons. Factors outside of this were incorporated to the extent they were relevant to this focus. However, there was much more to bar life than these dynamics. For example, in both sites, the time many patrons spent in the room adjacent to the bar area to listen to the live music performances is not explored. As such, I do not suggest that my descriptions offer a balanced representation of ‘bar life’ in either venue. Regarding each nation and each bar, certain issues were magnified in order to address questions relating to exchange, particularly tipping.

The other major limitation in need of recognition is that I present only a partial account of the lives of participants. While Becker and Geer (1957) suggest

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3 Exchange, however, can be considered “a key aspect of [all] life” (Carrier, 1991: 119).
that the most complete form of data is that gathered from participant observation, the fact that my field sites were two public bars imposed a severe limitation on the extent I was able to get to know participants. This is because participants would routinely leave the bar. Even those for whom either Freddy’s or Frank’s was central to their day-to-day activities spent more time outside the bar than they would inside it. I collected accounts about people’s lives and personal histories but I did not observe their activities outside the bar. In that sense, my view of their lives was necessarily partial. Much of their attitudes and perceptions were acquired, presumably, during the time I could not observe them. To the extent that this external acquisition of perceptions is not captured in my socio-political accounts of tipping in each nation, those accounts are limited. Although, as Appadurai (1988b) and Rosaldo (1988) note, it is no longer acceptable for anthropologists to construct communities of participants as self-contained or separated from external forces, it is often the case that when researchers live with participants they get a sense of from where those external forces emanate. I did not live with participants; they routinely left the bar and my capacity to observe their lives outside of that setting left with them. My discussions are thus limited to how people behaved and interacted within the venue, without knowledge of how that related to other aspects of their lives.

**Thesis Outline**

This thesis is developed over four parts. Part I, titled *Framing the Question*, considers existing research efforts related to tipping and contrasts that to the basis upon which this research was developed. Part II, *Structure*, draws attention to certain aspects of American and Australian social structures, primarily that relating to labour relations and regulation. Certain key differences are highlighted in order to make general statements about the two nations and to establish a basis for ethnographic discussions. Part III, *Practice*, and Part IV, *Experience and Meaning*, detail my observations at Freddy’s and Frank’s. In Part III, I analyse how owners, bartenders and patrons incorporated the social structures described in Part II into their interactions with each other. Part IV emerges from these analyses; here I offer my account of the ways bartenders
experienced their work and the different meanings of tipping held by patrons. The remainder of this section outlines the chapters within each part of the dissertation.

Part I, *Framing the Question*, comprises the first two chapters of this dissertation. Chapter 1 reviews the literature with respect to tipping and makes clear that the typical approach of researchers thus far has been to characterise a tip as a commodity traded for service. Consequently, researchers have sought to explain tipping in terms of perceived gains from trade, focusing upon the customer/service-employee encounter. This chapter demonstrates that previous studies have seldom considered participants external to those immediately involved in a service-based interaction (such as employers or government) and how these might shape proceedings. Nor has the gifting element of tipping been afforded sufficient consideration. In chapter 2, I propose that these oversights are the reason researchers have been unable to develop satisfactory understandings of tipping. I redefine tipping as ‘money given to service-employees’ (instead of giving money *for* service) based on its etymology. The word ‘tip,’ I show, was applied to the phenomenon as it preserved both its economic and social elements. This new definition is used to justify my methodological approach. Participant observation within two public bars, Freddy’s and Frank’s, was designed to illuminate the gifting component of tipping and illustrate its context-based meanings. I conclude chapter 2 by offering introductory descriptions of the two field sites.

Part II, *Structure*, consists of chapters 3 and 4 of the dissertation. Chapter 3 explains why tipping service-employees is customary in the USA but not Australia, despite the general ‘Americanisation’ of Australia throughout the twentieth century. Employers benefit from a tipping system, more than one of fixed wages, due to the reduced risk of having to pay idle employees. Employers thus will move toward a tipping system to the extent their power affords. The demographic composition of the US from the late-nineteenth century meant that

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4The structure of this dissertation can also be viewed in terms of three conceptual phases. The first is an identification of researchers’ collective inability to understand tipping because the methods employed have not been suited to the task. The second involves the development of particular knowledge and analytical tools. The third includes the application of that knowledge and those tools to put forward an understanding of tipping.
American employers were able to use their power over employees to keep wages low and create a tipping system. Australian employers were required to pay fixed wages because the demographic composition in that country meant they did not possess equivalent power. Chapter 4 outlines the consequences of these different power dynamics in terms of the resultant regulatory frameworks in each nation. The Australian labour movement penetrated the political process and mandated several requirements for employers relating to wages and conditions. The consequence was a highly regulated and formalised labour market. This formalised exchange between employers and employees flowed on to the formalisation of exchange between service-employees and customers. In America, exchange between employers and service-employees remained lightly regulated. This enabled informal exchanges between service-employees and customers. Chapter 4, then, makes clear certain contextual differences in which American and Australian customers, service-employees and employers exchange labour, products and money.

Part III, Practice, contains chapters 5 and 6 of this dissertation. These chapters are the outcome of participant observation at Freddy’s and Frank’s, and their development is based upon the preceding two parts. Chapter 5 reintroduces Freddy’s (in Brooklyn, America) and Frank’s (in Melbourne, Australia), along with some of the owners, bartenders and patrons who operated within them. This reintroduction takes place by way of demonstrating how differently participants of each venue related to each other. The evidence of different relationships is distinct understandings of ‘space’ in each bar. Freddy’s participants dealt with the bar that existed between bartenders and patrons as if it were a boundary, in the sense that is was used to mediate relationships between the on-duty bartender and other participants. Frank’s participants identified a barrier, which operated to segregate bartenders and patrons. These usages and understandings of space shed light on the types of relationships that existed within each bar and restrictions to their negotiation. These distinct types of relationships between bartenders and patrons are relevant to chapter 6, which examines social interactions and economic exchanges between bartenders and patrons. I develop an analytical tool, the Product-Price Nexus, which is used to demonstrate that the level of social interaction between bartenders and
patrons was inversely related to the formality of economic exchange. At Freddy's there were high levels of social interaction between bartenders and patrons and low levels of formality regarding economic exchange, whereas the reverse was the case at Frank's. Tipping was practiced differently within each setting, amid these distinct modes of bartender-patron interaction.

Part IV, *Experience and Meaning*, includes chapters 7 and 8 of the dissertation, and builds upon the different modes of interaction discussed in Part III. Chapter 7 details the different duties of Freddy's and Frank's bartenders, and the distinct ways each group went about their work. Freddy's bartenders were responsible for all operational tasks. In contrast, Frank's bartenders' duties were relatively limited, with much retained by owners and managers. Freddy's and Frank's bartenders negotiated their roles utilising different forms of 'emotional labour.' Freddy's bartenders *engaged* patrons, while Frank's bartenders *endured* patrons. This difference was related to their income structures. The tips Freddy's bartenders received drew them closer to patrons, resulting in emotional investment. The absence of tips at Frank's enabled bartenders to maintain emotional distance from patrons. Chapter 8 shifts focus toward what tipping meant to patrons. The various meanings of tipping reflected and reinforced various types of relationships within each venue; political institutions, typical modes of interaction, and the dynamic of the individuals involved in each instance structured such relationships. While tipping did relate to utility in some instances, it cannot be understood in this way alone. Tipping in Freddy's and Frank's is better understood in terms of gift exchange, whereby tips are given in recognition of a relationship, or to effect reciprocation. Chapter 8 suggests that tipping is an act contingent upon relationships, which can only be understood contextually.

This dissertation concludes by highlighting key findings and their implications. The pervasiveness of tipping within a nation is revealed as an indicator of the state of labour market power relations. The propensity of people to tip relates considerably to how bartenders and patrons interact, with a tipping system potentially empowering service-employees in some respects. Furthermore, tipping is shown to take on a various array of meanings to people,
which influence how and why they give tips. This supports the arguments of Sutton (2007) and Suarez (2009), which suggest that tipping cannot be explained in terms of perceived utility gains alone. This dissertation reinforces the Bourdieuan position that social life cannot be understood by ‘bracketing out’ certain aspects of it—whether it is considered an element of social interaction, economic exchange, or political institutions—to study in isolation. Social life can only be understood holistically and contextually. This is not a challenge to the importance of the ‘economic’ dimension of being, for that is part of the context, but it is a challenge to the dominance of ‘Economics’ as a discipline.
PART I: FRAMING THE QUESTION
Chapter 1: Review of Literature Regarding Tipping

Understanding why people give money to service-employees, commonly referred to as tipping, has eluded researchers (Azar, 2009; Lynn, 2006b; Suarez, 2009). The Oxford English Dictionary (OED) defines tipping as “money given...for a service,” implying the former is given for the latter in the mode of a commercial transaction. This definition underpins the majority of tipping research. There are exceptions to this understanding of tipping, such as Sutton’s (2007) description of the phenomenon as a mode of symbolic communication. However, researchers usually do not question what tipping is, tacitly accepting it as a payment for service. Supporting this widely accepted definition of tipping is that it involves money. Classical depictions of money—that it reduces everything to a tradeable commodity—endure. Another supporting factor is the widespread story that the word ‘tip’ derives from the phrase ‘To Insure Promptitude,’ that supposedly, in the eighteenth century, accompanied money given by customers to ensure service-employees would better accommodate them. It is understandable, then, that tipping is widely thought of as part of a trade. I will draw on the work of Zelizer (1998) and Hart (2005a) to illustrate that the use of money, despite how it is generally perceived, need not reduce exchange to a transaction and I will show that the origin story of the word tip is incorrect. Tipping, as I will demonstrate, is not exclusively part of a transaction and it is inappropriate to study it as such.

In the next section, I discuss how the current understanding of tipping is misleading researchers to consider only its transactional elements. Following this, I consider three major themes of research that have emerged from this approach to what tipping is. The first involves the unsuccessful attempts to explain tipping in terms of service. Many researchers have sought to quantitatively express, using formal models and statistical methods, a direct and

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2 This research is almost exclusively quantitative. Michael Lynn is the most prolific researcher regarding tipping. Many of his articles are cited throughout this dissertation. He has produced a website listing all the research papers that focus on tipping, up to October 2008. The vast majority of these papers, particularly those that deal with why and how people tip, use quantitative methods. See [http://cupeople.sanmita.com/pages/wml3/Tip_Bibliography.htm](http://cupeople.sanmita.com/pages/wml3/Tip_Bibliography.htm), accessed 1 January 2013.
complete link between tipping and service quality. The second theme of research grew as it was increasingly recognised that the assumed link between tips and service could be disrupted by other factors. Researchers moved toward thinking of tipping for service as a ‘social norm’ and subsequently sought to identify factors that might cause people to deviate from it. Such factors are many but include the particulars of the service-encounter, gender dynamics, and the weather. Researchers have identified several statistically significant factors that correlate with changes in tip levels but they are of marginal consequence, at most, and do not address what is at the core of a ‘tipping norm.’ This issue has led to the third theme of tipping research, which involves relating tipping prevalence across nations to a range of psychological indicators. Research within this third theme highlights the need to look beyond the specifics of the service encounter but data limitations and methodological issues draw the findings from these attempts into question. Conspicuously absent from almost all of these attempts to understand tipping are employers’ roles and actions.

**Tip, n.3: Current Understanding and Application**

The OED lists several, functionally unrelated, meanings for ‘tip.’ These include “extremity” (tip, n.1), “a light, but distinct impact” (tip n.2), "money given...for a service” (tip, n.3) and “a piece of useful private...information” (tip, n.4). Given this variety of meanings, without a definition an individual’s ability to understand what the word tip means is dependent upon context. Tipping, as it relates to giving money to service-employees, has attracted considerable academic attention over recent decades, which has been dominated by quantitative researchers (for reviews, see Azar, 2007b; Lynn, 2006b). Nevertheless, and despite the word’s numerous definitions, scholars sometimes do not define tipping in their research; instead, they demonstrate the economic importance of the money that changes hands (see Azar, 2009; Conlin et al., 2003; Kerr and Domazlicky, 2009). For example, Conlin et al. (2003: 297) open their article by stating, “[p]eople tip billions of dollars per year in restaurants....” The authors rely on this statement to convey the relevant definition of ‘tip’ to the reader. This suggests the word is so commonly understood, presumably as money given for service, that defining it is unnecessary. Such a lack of reflection
with respect to what is being studied is potentially problematic. This is particularly so when the common sense definition itself proposes ‘service’ as the answer to the question of why people tip.

Researchers will sometimes discuss the origin of the word tip and effectively present this as a pseudo-definition. The most common origin story is that the word is an acronym for the phrase ‘To Insure Promptitude,’ although there are variations of this account. Crespi (1947) states, in what has been described as “the first in-depth scholarly probe of tipping in America” (Segrave, 2009: 74), that customers of English coffee houses in the eighteenth century wrote the phrase on a note, attached a coin to it, and gave it to the waiter. Lynn et al. (1993) suggest the phrase was written on collection boxes that were placed on the counter of English coffee houses, into which customers would place money. According to Lynn and Latane (1984: 549), the phrase “is said to have originated in eighteenth century English pubs,” rather than coffee houses (see also Bodvarsson and Gibson, 1997). All of these accounts suggest the purpose of patrons giving money to service-employees was to attain service. Lynn et al. (1993) note this origin story has entered academic literature via popular writings and thus lacks a solid basis. Nevertheless, it permeates much of the literature (see also, for examples, Azar, 2004a; 2007c; Butler and Skipper, 1980; Freeman et al., 1975; Margalioth, 2006; McConnell, 2009; Sanchez, 2002), helping to frame tipping in terms of a trade—as money given for service.

This origin story is problematic. Whilst Segrave (2009) provides evidence that the practice of patrons giving money to service-employees began in the eighteenth century, Mok & Hansen (1999) point out that there is no documentation that they did so with hand-written notes and that collection boxes inscribed with the phrase have not been found. Further, if a phrase was developed to denote giving money for service then it would not likely have read ‘To Insure Promptitude.’ It might have read ‘To Ensure Promptitude.’ Ensure is the correct word in such a context, as was also the case in the eighteenth century. People insure something that they are already in possession of and wish to be compensated for if lost to them. But when a customer walks into a coffee house or public bar, for example, they do not walk in with service they can insure in
case of loss. They walk in with an expectation of service they may wish to ensure, or make certain of. Furthermore, the word tip, as it pertains to giving money to service-employees, was in use in the early-eighteenth century (see OED, tip, n.3) without it being an acronym. Thus it seems more likely that the phrase ‘To Insure Promptitude,’ if it was ever used at all, was created after to the word was applied to the practice, not the other way around.3

That tipping involves the use of money reinforces the suggestion in the dominant origin story that tipping is part of a trade. Classical interpretations of money, by Marx (1978 [1927]), Simmel (2004 [1907]) and Weber (1978 [1922]), for example, profess it to be the ultimate rationalising agent, eroding social relationships through its unyielding objectification of all things; a creation for, and a reinforcement of, the formal economic system of exchange. So powerful is money, this enduring argument goes, that everything with which it comes into contact succumbs to the ‘economic’ mode of interaction. This conception of money still colours approaches to phenomena where money is involved (see Carruthers and Espeland, 1998), supporting the perception of tipping as the effective purchase of service.

However, more recent investigations suggest interactions need not be reduced to trade relationships simply because money is involved. Zelizer (1998: 1378) demonstrates that “people routinely use monetary transactions...to create, affirm, represent, challenge, or overturn their social ties.” Likewise, Hart (2007c) notes that money need not be an impersonal tool. Like any gift, money can be used in the social realm and be understood accordingly. Thus, even though “money acts as an incredibly powerful agent of profound social and cultural transformations” (Bloch and Parry, 1989: 3), giving money to service-employees does not necessitate that people are giving it for service, or only for service. In other words, the fact that it is money given does not, in itself, necessarily

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3 There are other origin stories, which are less prevalent in the literature but also lack support. Mok and Hansen (1999: 51) suggest “tip” is an English slang term, meaning “to give.” Sutton (2007: 193) claims it derives from the Latin, “stips,” also meaning “to give.” Foster (1972: 181) claims a “tip” is money given so the recipient may purchase alcohol, and thus argues the word is an abbreviation of the word “tipple.” Lynn et al. (1993: 479) mention other suggestions, including that the word is an abbreviation of the Dutch word “tippen” (apparently a reference to the tapping sound a coin can make) and that “tip” derives from the “gypsy phrase ‘tipper me your money,’ meaning give me your money.”
transform tippers into ‘rational’ utility-maximising agents, who lose the ability, or wont, to interact socially. This recognition opens up the possibility, and even requires, that tipping be discussed in terms of gift exchange.

Nevertheless, due to enduring classical conceptions of money and the widely repeated idea that tipping grew out of a desire to ensure service, academic definitions of tipping tend to be synonymous with the OED definition that tips are money traded for service. For example, tipping has been characterised as “voluntary payments of money...to service workers after those workers have served them” (Lynn, 1997: 221; Lynn and Simons, 2000: 241), a “gratuity voluntarily paid by a customer directly to staff...over and above the price” (Nailon, 1978, quoted in Ineson and Martin, 1999: 27), offered “in appreciation for service received” (Brown and Rolle, 1991: 75), or as a “voluntary after-the-fact transaction” between money and service (Bodvarsson et al., 2003: 1659). Each of these definitions identifies the key aspect of a tip as money given for a service provided. Working within this frame, researchers have focussed on the economic elements of tipping. By approaching tipping as if it fits neatly within the formal framework of trade, most researchers have set about trying to quantitatively demonstrate the relationship between tips and service (see, for example, Bodvarsson and Gibson, 1992; 1994; 1997; 1999; Bodvarsson et al., 2003). That tipping is ‘voluntarily’ (that is, not legally required) given after service has taken place is recognised but not considered as consequential by most researchers. Tipping after service would be more akin to a ‘payment’ if it were contractually mandated. But since it is not, tipping is not analogous to trade.4

Regardless, tipping researchers have typically proceeded assuming that a person’s decision to tip is based on utility maximisation (see, for example, Bodvarsson and Gibson, 1999; Holland, 2009; Lynn and Grassman, 1990), a method commonly employed to study payments. Further, in addition to inappropriately applying the logic of payments to tips, tipping researchers present service as divisible into component parts and subjectable to regression analysis—which involves statistically connecting certain measures of service to

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4 Similarly, a ‘voluntary’ tip may be understandable in terms of bribery if given before service.
tip amounts (see, for example, Bodvarsson and Gibson, 1992; 1994; Kerr and Domazlicky, 2009; Lynn and McCall, 2000)—as if receiving service, a relational and interpersonal activity, were the same as the consumption of a material product with distinct components. Despite the problems with this approach, many researchers maintain their faith in the formal and statistical methods that have successfully explained elements of trade-based decisions. In response to the inability of researchers to demonstrate a strong link between tips and service, Lynn and Graves (1996: 1, emphasis added), suggest “[t]ips are supposed to be an incentive/reward for good service” (see also Jacob and Gueguen, 2012). Israeli and Barkan (2004: 446) deal with the failures of quantitative methods by supposing that the tipping-service relationship is distorted by extraneous factors, such as “the development of social norms” (see also Azar, 2005a; 2007b; Lin, 2007). Few researchers seem to recognise the problems of approaching tipping as a trade but many seem to appreciate the existence of other factors disrupting the demonstration of the supposed ideal relationship between tips and service.

Researchers have looked beyond economics to better appreciate these factors disrupting the assumed tipping-service relationship. Shamir (1984) highlights the contribution social psychology, a discipline in which practitioners readily recognise people’s decisions are influenced by matters beyond material utility, can make to understand tipping. Many tipping researchers have incorporated Shamir’s argument into their own investigations, as demonstrated in the following sections. Likewise, tipping research has been extended to incorporate social factors. For example, Brewster and Mallinson (2009) consider the effect of attitudes towards racial differences, concluding “black-white variation in tipping behaviours persist as a result of utilitarian processes in which service providers attempt to minimize economic uncertainty” (2009: 1053). The incorporation of these considerations clearly goes beyond the basic economic model; such factors, however, are usually considered only insofar as they interrupt the efficient workings of homo economicus. The incorporation of both social and psychological elements into tipping research is consistently framed in terms of how such factors result in changes in perceived utility. That is, these studies, despite moving beyond the economic, still interpret tipping as
money traded for service, albeit susceptible to social and psychological influences. These considerations, while not ‘economic’ in themselves, have merely been included in a broader economic framework, where tipping is still treated like a transaction. The following three sections discuss the major themes of research that have emerged from this framework.

**Tipping and Service**

Holland’s (2009) formal model posits a strong link between a tip and service quality. Holland (2009) presents tipping as part of a “risk sharing” arrangement between a customer and a service-employee, whereby the two parties effectively agree that, instead of the customer paying a fixed amount and accepting the risk of paying for substandard service, the customer will pay an amount that reflects service-quality. Under this arrangement the customer and service-employee share the variation in the costs and benefits of their encounter; the provision of good service (costly to the service-employee) is met with the higher tips (costly to the patron), and vice-versa. Holland (2009) suggests the service-employee agrees to this arrangement as it affords them the opportunity to earn more than a fixed amount would dictate, should service provision be exemplary. In this way, Holland (2009: 641) attempts to explain tipping “as a rational act of utility maximizing people.” His model, however, does not correspond to people’s behaviour, as it requires an almost perfect correlation between tips and service quality. That relationship, as discussed above, is lacking. Holland’s model also requires his readers to assume both the customer and service-employee actively and consciously enter into a complete contractual agreement, based on predefined tip amounts and service-levels. It is unclear how this might take place. Further, Holland (2009: 642) ignores power dimensions, assuming the service-employee is in a position to decide whether they wish to be paid in tips or fixed wages, suggesting, “[a] risk-averse waiter will not give up one dollar in wages in exchange for a one-dollar increase in the expected tip.” Holland’s model represents a reality that has not been observed.

Lynn (2006b), in a summary of tipping research, notes that service quality usually explains between two and six per cent of the tip amount, assuming a
statistically significant relationship is found at all. Indeed, these statistical studies (which are most often generated by patrons ranking their experience on an ordinal scale) have either generated a complete lack of relationship between tips and perceived service quality (Bodvarsson and Gibson, 1994; Boyes et al., 2004; Lynn and Latane, 1984), or a weak relationship (Azar, 2009; Bodvarsson and Gibson, 1992; Conlin et al., 2003; Kerr and Domazlicky, 2009; Lynn, 2000c; 2001; 2003a; 2003b; 2004; Lynn and Grassman, 1990; Lynn and Graves, 1996; Lynn and McCall, 2000). Of course, any statistical significance between tips and service is not an ‘explanation’ but a ‘correlation.’ Taking a ‘correlation’ to ‘explanation’ requires a few steps, which many studies considered here dispense with swiftly. As correlation does not necessitate causation, a causal link between the variables under examination often remains to be established. As Beattie (1959: 47) states, “[b]ehaviour can have no social significance apart from what it means to somebody, and unless such ‘meanings’ are taken into account nothing remotely resembling sociological understanding is possible.” Thus, even when tipping researchers take certain relationships between variables to be obvious they are still adding a layer of interpretation in place of evidence for causation. Results discussed so far collectively suggest a tenuous connection between tips and service but do not reveal the nature of that connection or other factors at play.

These results, however, have spurred on some researchers to redouble their efforts to demonstrate that “a tip is a payment for service” (Bodvarsson and Gibson, 1997: 188) by adjusting their data collection methods and analytical techniques, rather than question this relationship. Bodvarsson and Gibson (1994: 296), in their statistical analysis of seven Minnesota restaurants, note “the service quality variable was found to be insignificant” when correlated against customers’ tipping behaviours. The authors responded to this result by stating, “[d]oes this mean that service quality generally does not influence customer

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5 Furthermore, such results undermine suggestions that tipping is a management technique that affords employers to shift monitoring responsibilities onto customers; for a tipping system to be effective in this way tip rates need to respond to perceived service quality (see Azar 2004b; 2005b; Barkan et al., 2004; Boyes et al., 2004).

6 A rare exception to this is Kerr and Domazlicky (2009: 1505-6) who define service in terms of “the length of time for the delivery to be made” to the customer.
tipping? We do not think so." They argue that since there was little variation among customer service ratings, which were consistently high (on average, 4.6 out of 5), there was correspondingly little variation among tips. Consequently, the authors continue, regression methods are unable to identify statistically significant relationships due to a lack of variation in behaviour. For Bodvarsson and Gibson (1994), the identified statistical insignificance unduly gives the impression the relationship between tips and service is lacking.\(^7\) To overcome what they assert is a problem of measurement, rather than their hypothesis, Bodvarsson and Gibson (1999) employ a survey where they asked respondents to imagine how much they would tip for different service levels. The result was a much stronger (albeit hypothetical) correlation between service quality and tip levels. However, such findings only represent what people say they will do and the authors did not investigate the extent to which that related to respondent's actual behaviours (see also Lynn, 2000c). These results may merely reflect 'common sense' understandings of tipping. Consequently, it does not represent a credible refutation of the limited statistical correlation between the supposed exchange of tips and service.

Another attempt to 'rationalise' tipping and link it to service involves suggesting tipping is an investment in future service, rather than related to service already given. Some authors suggest that patrons may tip to invoke reciprocity from a service-employee at some future date or to establish a reputation as a 'good tipper' in order to attract better service (see, for example, Azar, 2008b). Lynn and Grassman (1990) hypothesise that the relationship between service quality and tipping should be stronger for regular customers than it is for non-regular customers. On this basis, the authors interviewed restaurant customers about their tipping behaviour and dining experience, as they left a US restaurant; the hypothesis was not supported, as there was no correlation between tips and service for regular customers. Azar (2007a) constructs a formal model, consistent with Lynn and Grassman's (1990)

\(^7\) In support of the argument that statistical studies underestimate the correlation between tips and service, Bodvarsson et al. (2003) suggest the Ordinary Least Squares (OLS) regression technique is responsible; given that the relationship between tips and service is recursive, the use of OLS regression is inappropriate for analysing it. However, Lynn (2004: 976) points out "OLS regressions should overestimate, not underestimate, the causal impact of service on tipping."
hypothesis and Azar's (2008a) game-theoretic model, predicting that if future service was a motivation for tipping “the sensitivity of tips to service quality should be higher for repeating customers” (2007a: 515). However, Azar's (2007a) survey data based on restaurant customers was inconsistent with the formal model. Such attempts do not support the idea that customers give tips in order to solicit better service in future interactions with service-employees. Even if such a link were identified, this approach ignores the fact that, “[a] tipper's relationship with a particular server or restaurant is often a single unrepeated event” (Lynn and Grassman, 1990: 172), necessarily making such an explanation partial. Explaining tipping in terms of future service has not been successful.

These unsuccessful attempts have prompted an additional question—with respect to service, the other side of the tipping equation—that is often not considered by researchers. Azar (2009) points out that studies generally report customer perceptions of service quality as high (recall Bodvarsson and Gibson, 1994), despite the weak to non-existent relationship between tips and service. On this basis, Azar asserts researchers need to ask not only why it is customers tip but also why it is service-employees deliver consistently high levels of service. The assumption of this question is that, in the same way as customers are expected to maximise utility by not tipping, service-employees might be expected to maximise their utility by reducing their efforts when they realise that tipping behaviours remain unaffected by service levels. Azar (2009) refers to this situation, whereby customers ‘voluntarily’ give away money and service-employees ‘freely’ work hard at delivering good service, as the “tipping-service puzzle.” This ‘puzzle’ highlights that it is not just the customer who has to make a decision, regarding whether or how much to tip. The service-employee also needs to make a decision, with respect to the level of effort put into service provision. Thus, Azar (2009) identifies an irony of the research effort to explain

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Azar (2009) supposes, but does not develop, a number of possible explanations for service-employees' efforts, including job satisfaction, to avoid customer complaints, or that restaurant managers are using other mechanisms to ensure service standards. Butler and Skipper (1981) characterise the act of a service-employee deciding how much effort to put into their work, in a system whereby remuneration is by way of tips paid voluntarily and after-the-fact, as an extension of ‘credit’ by the service-employee toward the customer. The authors conclude, “structural conditions [referring to management control and surveillance] exert a significant influence on the [service-employees'] credit attitude” (Butler and Skipper,
(or, at least, correlate) tipping with service quality; not only has it been unsuccessful in addressing this apparent violation of the assumption of utility maximisation, but it has highlighted another apparent violation of that assumption—service-employees seem to work hard at delivering good service regardless of tips receipts.10

The ‘Tipping Norm’ and Matters of Influence

As it became increasingly accepted that reference to service quality alone was insufficient to explain tipping, some researchers started to discuss tipping in terms of it being a ‘social norm’ (see, for example, Azar, 2007c). Lin’s (2007: 5) survey of Louisiana residents concludes that social norms are the primary motivation for tipping, noting “most diners leave tips in order to obtain social approval...[or to feel] ‘not guilty’.” Similarly, Conlin et al. (2003: 297) suppose a model of behaviour “in which customers trade off material well-being against disutility from not adhering to the norm.”11 Most of this research takes the social norm regarding tipping as something given12 but some ask how it is such a norm develops and evolves (see Azar, 2007b). Azar (2005a) presents a formal model representing a way in which the tipping norm may have evolved in order to

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10 Economists have considered this issue outside the context of service-work and tipping. Akerlof (1982) identifies employees producing more output than their employment contract dictated and asks why they would do this. He suggests that such employees are paid more than the market clearing wage and work harder in return for this, characterising such an arrangement as a partial gift exchange between employers and employees. Such an explanation does not fit neatly with US service-employees since service-work is hard to define and they are often paid less than the minimum wage. Nevertheless, I return to the gift exchange literature in chapter 8 in support of my explanation of tipping.

11 This statement also demonstrates that even though researchers moved away from tipping being something only traded for service toward the acceptance of broader influences it is still considered in terms of utility maximisation.

12 Although, Lynn (2006a) demonstrates that the ‘tipping norm’ is understood differently by different segments of the community.
improve economic efficiency and social welfare. Azar’s model purports a tipping norm to develop on the basis that tips increase service and income levels, as well as reduce employee-monitoring costs. In other words, Azar’s model suggests tipping evolves into custom because it works better (according to certain measures). Azar concedes, however, that his model requires tipping behaviours to be sensitive to service quality, which, as discussed, does not appear to be the case. Azar’s (2004c) evolutionary model suggests any tipping norm will erode over time if people tip only to avoid disapproval and will grow over time if people tip to acquire some form of psychological benefit. Azar (2004c) notes that tipping levels have increased over the last century (at least, in the United States, which is where the majority of tipping research is based) and so concludes customers must receive an internal benefit for tipping, in addition to it being a social norm.

Upon increasing acceptance that there is a ‘tipping norm’ in the US, many researchers have sought to identify factors that are associated with deviations from that norm. One line of inquiry has been gender; researchers have identified several statistically significant correlations of tip amounts with various gender dynamics within service encounters. For example, Boyes et al. (2004: 2616) state that their data relating to tipping habits of people in group settings suggest men tip more than women, and interpret these results to suggest men “are more influenced by social acceptance or approval.” In contrast, however, Conlin et al. (2003) argue that their data set, derived from restaurant diners, suggests that female customers tip more than males, should the service-employee with whom they deal be male. Numerous studies identify a positive correlation between physical attractiveness of female service-employees and tip levels, particularly from male customers (Gueguen and Jacob, 2011; 2012; Lynn, 2009). In a similar vein, researchers also identify particular behaviours that correlate with higher tip levels, but only if performed by female service-employees; these include drawing a ‘smiley face’ on the back of customers’ checks (Rind and Bordia, 1996), slightly touching customers during service interactions (Stephen

13 Lynn and Simons’s (2000) data set suggests that no such correlation applies to the attractiveness of male service-employees.
and Zweigenhaft, 1986), or wearing particular accessories (Gueguen and Jacob, 2012; Stillman and Hensley, 1980). In all of these cases, the impact on tip levels was small. Nevertheless, these studies suggest that gender dynamics seem to impact customers’ application of the ‘tipping norm.’

Beyond matters of gender, it also seems the ways in which service-employees interact with customers are associated with varying tip rates. Garrity and Degelman (1990) demonstrate that service-employees tended to receive higher tips when they introduced themselves to customers by their first name than when they did not. Furthermore, Tidd and Lockard (1978) note that broader smiles from service-employees toward customers also reaped high rates of tips than did ‘minimal’ smiles. Jacob and Gueguen (2012: 25) argue that service-employees who stood closer to customers were associated with “both a greater frequency in tipping and an increased amount of [tip] money given.” Consistent with this, Lynn and Mynier (1993) note service-employees who squatted down next to tables received more money in tips than did those service-employees who remained standing when taking customer orders. Customers also responded with giving higher tips when the service-employee complimented them on their meal selection (Seiter, 2007), personally wrote “thank you” or a helpful message about an upcoming dinner special on the check (Rind and Bordia, 1995; Rind and Strohmetz, 1999), or were given a small piece of chocolate by the service-employee at the same time as the check (Strohmetz et al., 2002). All of these interactional elements were correlated with higher tip levels to a statistically significant degree. While the degree to which tips increased over the ‘tipping norm’ was usually relatively small the literature does suggest there are numerous behaviours service-employees can put into practice to manipulate tipping behaviours of customers.

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14 Many studies consider the effect of touch on customer tips; for example, see Crusco and Wetzel (1984), Gueguen and Jacob (2005), Hornik (1992), Hubbard et al. (2003), and Lynn et al. (1998). These studies typically involve constructing situations whereby service-employees fleetingly touch customers, typically on the hand or shoulder, at a predetermined point during the service interaction. Tip levels are compared to scenarios where touching did not occur. All of the studies mentioned here demonstrate a statistically significant correlation between touching and tip levels, however the impact of gender variables was mixed and sometimes statistically insignificant.
Researchers also identify other factors, beyond the control of service-employees, which also seem to be correlated with tipping behaviours. Gueguen (2007), on the basis of data collected during an experiment undertaken across five bakeries, suggests that people are more likely to tip if they witness another customer tipping.15 The weather, particularly that relating to levels of sunshine, is positively correlated to customers’ tipping decisions (see Rind, 1996; Rind and Strohmetz, 2001). McCall and Belmont (1996) conducted an experiment in two restaurants whereby the bill was presented to the customer on a tip tray, which only in some cases had a major credit card emblem printed on it. In each restaurant, patrons tipped slightly, but statistically significantly, more when having their bill presented on a tip tray with the credit card insignia. McCall et al. (2004: 333) put forth, but do not test, an explanation that such credit card insignia “trigger[s] thoughts about money and self-worth. The result of this self-image evaluation is that one is more likely to engage in behaviors that present to others an image of wealth and or success.” Researchers seem to be finding many factors that can be correlated to tipping behaviours. That said, in many cases the reason for these correlations, if they are taken to be meaningful, is unclear. Often, authors offer plausible explanations but do not test them.

Another line of inquiry has been the influence of either the number of customers involved in a service interaction or the size of the bill. Researchers have had mixed results when correlating group sizes to tip rates; Lynn and Grassman (1990) do not identify a correlation, whereas Lynn and Latane (1984) do. Freeman et al. (1975: 584) analyse 396 groups of restaurant diners, concluding variation around the tipping norm is “an inverse power function of group size,” and argue that this is due to the “diffusion of responsibility” that comes with larger group settings. However, Elman (1976) and Snyder (1976) interpret Freeman’s et al. (1975) results to reflect customers recognising the efficiencies of serving larger parties and tipping less accordingly. When it comes to tip rates and the size of the bill, many researchers identify an inverse correlation and refer to it as the ‘magnitude effect.’ Chapman and Winquist

15 Strohmetz and Rind (2001) investigate the impact of tipping recommendations by the establishment. They do not find any difference in tip levels but identify a reduction in the variation of tip amounts, tending toward the recommended amount.
(1998) argue that, consistent with the idea of the decreasing marginal value of money, the phenomenon is a product of increasing proportional sensitivity, whereby percentage tip amounts seem larger for larger bill sizes. Green et al. (2003) and Israeli and Barkan (2004) suggest that each tip effectively comprises two parts—a flat amount, “for being there when needed” (Green et al., 2003: 381), and a percentage amount—which is why percentage tips decreases with bill size. However, Lynn and Struman (2003: 106) suggest that the magnitude effect is due to some people not behaving according to the “15% tipping norm” by tipping a flat rate, resulting in surveys of average tip percentages decreasing as the bill increases. Although explanations are contested, the literature does support that tip percentages inversely correlate to bill size and the number of customers involved in the service encounter.

The ‘National Psyche’

The preceding discussion of the literature highlights that tipping research has generally taken place at the individual level, focusing on customers and servers. In contrast, the third theme of tipping research begins with Lynn et al. (1993) who consider the importance of what they refer to as “macrolevel issues.” Specifically, they focus on “cross-country differences in tipping practices and norms” (1993: 478). Lynn et al. (1993), by comparing data from Hofstede’s (1983) survey of work-related values from employees across countries with tipping prevalence from Star’s (1988) The International Guide to Tipping, test four hypotheses about the pervasiveness of tipping throughout nations, with mixed results. The data supports the hypotheses that tipping will be found in fewer occupations in countries where people had a relatively low tolerance for power and status differentials and where residents valorised social, rather than economic, relationships. In contrast, the data does not support the idea that tipping prevalence is related to a tolerance for uncertainty, nor the general degree of individualism.16 Despite the methods used by these researchers

16 Lynn and Lynn (2004) replicate and extend this study by considering the sizes of tips, rather than just the prevalence of tipping across occupations. This extension relies upon averaging the suggestions of three popular travel books—Cure et al. (2002), Putzi (2002) and Tucker (2001)—regarding how much to tip in various countries. The authors justify this approach by suggesting that taking the average of three unsupported sources is better than picking one of them. However, the data still lacks a solid basis and is clearly inaccurate in some instances; for example,
continuing to present tipping as a vague reflection of customers’ perceived utility, this research nevertheless presents a different way of thinking about why people tip. Lynn et al. (1993) highlight the importance of, and sought to identify, factors beyond the individual service encounter that underlie the ‘tipping norm.’

From this study flowed a number of other research pieces, which sought to correlate constructions of the ‘national psyche’ to tipping practices. Lynn (1994), relying on Lynn and Hampson’s (1975) cross-country ratings of neuroticism, positively correlates national neuroticism ratings with the number of service professions that receive tips; the author argues the reason for this is that neuroticism causes people to allay their perceived envy of others by tipping (recall Foster, 1972). Lynn’s (1997) conclusion that tipping operates as a display of status for customers is based on a data set in which it appears that “tipping is more prevalent in countries the greater the value their citizens place on status/prestige” (1997: 224). Lynn (2000b), based on Lynn and Martin’s (1995) national ratings of extraversion and psychoticism, suggests extraversion is positively associated with the number of tipped professions whereas psychoticism is negatively correlated.17 Lynn (2000a) asserts tipping occurs in more occupations in nations characterised by strong needs for achievement and power,18 and explains these results by suggesting that consumers who valorise power and achievement support tipping more due to the perceived role it plays as an incentive. While these studies rely upon various measures of national psychological characteristics they all utilise Star’s (1988) popular guidebook on tipping as the data source of the dependant variable. The researchers were left with little choice but to use this data as a more rigorously developed data-set regarding cross-country tipping practices does not seem to exist.

17 Lynn (2008) attempts to replicate these results using a different data set but is largely unsuccessful. Nevertheless, Lynn (2008: 997) maintains, “[t]he results of these studies support the idea that personality plays a role in the development of tipping attitudes, behaviors and customs, but suggest that role is different than previously believed.”

18 In this case, “[m]easures of national differences in the needs for achievement...and power were obtained from McClelland (1961). He coded 21 stories from children’s readers published between 1946 and 1955 in each of 40 countries for content reflecting [these] needs” (Lynn, 2000a: 207).
A concern with this branch of tipping research is that explanations are couched in terms of causation but the data and methods used only support certain correlations between tipping practices and particular measures of the ‘national psyche.’ This is an issue authors of these studies make explicit. For example, Lynn (2000b: 401) notes “[t]he data is correlational, so it does not permit strong causal inferences. However, it seems doubtful that tipping customs influence national personality.” I find it reasonable to suggest that the prevalence of tipping throughout a nation is unlikely to have a discernible impact upon, what Lynn (2000b) refers to as, the “national personality.” This unlikelihood, however, does not support the reverse argument. Other factors, not considered by these researchers and perhaps not within the realm of social psychology, might underlie both the national differences in tipping prevalence and national psychological indicators. In other words, labelling one variable as ‘dependant’ is not evidence that it is causally linked to variables labelled ‘independent.’ Furthermore, just because a variable is labelled ‘independent’ does not make it so. Both the, so called, dependant and independent variables may well correlate because they relate to factors not found within the data sets used by these researchers. Such a possibility has not been explored.

Another concern within this theme of research is how correlation between tipping prevalence and various ratings of national personality traits came to be statistically significant. In all cases discussed here, data representing certain countries was removed on the basis that they were ‘outliers.’ In each instance, only once the data from these outlying nations were removed did correlations between tipping prevalence and the various measures of the ‘national psyche’ become statistically significant. I am not suggesting that the removal of outliers in statistical analysis can never be justified; in many situations it seems reasonable to do so. However, in the studies discussed in this section, the removal of certain outliers brings the results, and the explanations of them, into question. For instance, Lynn’s (2000a) consideration of the relationship between people’s needs for achievement and power and tipping prevalence only resulted in statistically significant correlations after two of the five outliers were deleted. One of those outlying countries, New Zealand, was removed on the basis that “some unique characteristic of New Zealand creates an
inhospitable climate for tipping” (Lynn, 2000a: 208). Instead of questioning the validity of the hypothesised relationship between achievement, power and tipping, the author assumes there is something odd about New Zealand. Yet, this unknown force, and what it might mean for the interpretation of the data set more generally, is not investigated.

Another example involves Lynn’s (1994) consideration of tipping and neuroticism, with the relationship between the variables only becoming statistically significant after five of the 18 countries (UK, USA, Canada, Ireland and Japan) were excluded from the analysis. The UK, USA, Canada and Ireland were excluded on the basis that they “share a common cultural and political heritage” (Lynn, 1994: 137) which disrupted statistical support for the hypothesis. What it is about this shared heritage is not discussed but perhaps we can assume that they are all linked, in various ways, to the British Empire and its legacy. However, Australia and New Zealand are not excluded from the analysis, despite also sharing that heritage in an equivalent way. Data representing Japan is excluded on the basis that “the Japanese try to avoid becoming enmeshed in the complications of reciprocation with strangers” (Lynn, 1994: 138) more so than people in the other nations considered. This statement lacks justification. These examples suggest that the results of these studies are based on the exclusion of certain data, which were removed without convincing reasons. While these research efforts expand the literature by highlighting that factors beyond the individual encounter between service-employees and customers matter when it come to understanding why people tip, the correlations and conclusions drawn should be treated cautiously.

Closing Remarks
The literature uncovers much about how tipping is, and is not, practiced. In addition to revealing a multitude of factors that seem to influence (or, at least, correlate with) how people practice tipping, research efforts also repeatedly demonstrate that the commonplace assumption regarding the reason for tipping—that it is a payment commensurate with service quality, and is given for

\[19\] Also, it seems New Zealand’s “inhospitable climate” regarding tipping (recall Lynn, 2000a: 208) was not a concern in this instance.
service—is incorrect. Furthermore, since those factors found to be statistically related to tipping are only marginally so, quantitative researchers, for all that has been accomplished, have been unable to explain why people tip. I argue that this is because, as Sutton (2007: 193) states, while these quantitative approaches “help predict the size of tips, they tell us almost nothing about the meaning of the interaction.” The contributors to the literature on tipping have proceeded on the basis that, at its core, people tip according to their perceived utility gains from a service encounter. This approach to the study of tipping, as if it were part of an exchange of commodities and devoid of historical consideration (as is usual within formal economics, see Sahlins, 1969), neglects the fact that tipping is also part of a gift exchange and has meaning to those involved. The functional role of tipping (after all, it is an income source for service-employees) does not negate the elements of gift exchange and the importance of meaning. This meaning is generated within the particularities of the social context in which it occurs and has consequences for the relationship between the customer and service-employee. The quantitative approaches taken thus far have also neglected the importance of employers and government in the construction of what tipping represents. This dissertation is designed to overcome these omissions and the following chapter details the approach I have taken with this research.
Chapter 2: Conceptual Framework and Methodology

This chapter outlines my own approach to developing an understanding of tipping. Given existing tipping literature presents tipping as fundamentally a form of commodity exchange, I put forth an etymological argument that a tip operates as both a commodity and a gift. I link the application of the word ‘tip’ to the emergence of the practice of giving money to service-employees in eighteenth century English society, which was in the process of conceptually separating economic and social exchange. Since the giving money to service-employees had both social and economic elements it could not be linguistically represented using the language of either category (such as, ‘gift’ or ‘payment’). The word tip was the compromise as it was partially synonymous with the word gift throughout the seventeenth century, afforded reference to both the social and the economic elements of the act, and preserved the conceptual distinction between the two spheres of eighteenth century English life. This etymological analysis, couched in a wider history, shows that a tip is simultaneously part of a commodity and gift exchange. Given this dual nature of tipping, I will proceed to complement the aforementioned quantitative analysis with ethnographic descriptions of two public bars—Freddy’s in Brooklyn (New York, America) and Frank’s in Melbourne (Victoria, Australia)—as a basis for showing how people incorporated tipping into their social lives and interactions. Such an approach affords investigation into what tipping meant to participants and how it fit within their relationships.

This approach is developed over two sections. The first section relates to etymology. I begin with considering the importance of etymological analysis for research, including reference to the limitations of what can be achieved by this type of investigation but also the potential consequences for not doing so. Since tipping researchers have not previously conducted an etymological investigation of the word ‘tip,’ and given the word’s current characterisation in the literature, an etymology of the word tip is developed, using data from the OED. On this basis, I argue tipping is money given to a service-employee instead of money given for service. This slight shift in how the word is represented affords, perhaps
demands, greater consideration of the gifting element of tipping. The second section in this chapter outlines my methodological approach to understand tipping, as I have defined it. Keeping in mind I also develop a historical analysis of tipping in America and Australia in chapters 3 and 4, I discuss in this chapter my participant observation in Freddy’s Bar and Frank’s Bar. Through this process I sought to understand how people incorporated tipping into their social interactions and economic exchanges. The outcome of this process is a set of observational notes, transcripts from semi-structured interviews, and a set of experiences that form the basis of the remainder of this dissertation.

Section 1: Etymology

Etymological inquiry is potentially beneficial to the research process (see also Liberman, 2008). Researchers in various fields have employed etymological analysis as a basis for, or as a way to contextualise, their research. Sometimes, the etymology of a word has been the focus of research efforts, such as Moghadam’s (1938) etymology of the word “checkmate” or Davis’s (1952) study of the word “market.” In other cases, etymology is relied upon to frame research findings, such as Crawford’s (1999) consideration of “bullying” in the workplace. Mood (1948) notes the word “frontier” represents a phenomenon that has captured the attention of historians but that they have studied it without examining the “term that stands for the thing. Yet the term has a history, independent of the thing” (1948: 78). Thus, Mood carries out an etymology of the word “frontier,” based on the “assumption that a knowledge of the history of the word could cast light upon the phenomenon” (1948: 78). This is both a study that is wholly focused on the etymology of one word but also an attempt to contextualise an existing body of research. This section shares this twin aim.

A concern with the relationship between the word and the thing is also evident in the physical sciences. Gest’s (2002) research into the etymology of the word “photosynthesis” highlights that the word came from development in the understanding of the phenomenon and subsequent efforts to construct a word that best fit this understanding. Gest (2002: 7) notes the importance of the shift to using the word “photosynthesis” from using “assimilation,” a word that was “ill advised and confusing.” In doing so, Gest posits the importance of words used
to describe phenomena lay in their ability to shape the research process, noting “[w]e cannot improve the language of any science without at the same time improving the science itself; nor can we, on the other hand, improve a science without improving the language” (Lavoiser, 1790; quoted in Gest, 2002: 10). Gest demonstrates that the word used to represent a phenomenon influences our understanding of the phenomenon itself.

This is not to suggest the etymological process always provides a given word with a clear definition or history. Wilson’s (1985) study of the word “Vampire” demonstrates that competing histories can be constructed around the same word, leading to different origin stories and understandings. Another example is Moghadam’s (1938) objections to the commonly held belief that the word “checkmate” stems from the Arabic phrase “the King died” (1938: 662). Moghadam presents a new etymological explanation of the term, which is convincingly argued, but is as speculative as the explanation he seeks to replace. These examples demonstrate that “etymology is not an exact science” (Finamore, 1998: 287). Thus, even though “words do not begin to exist suddenly without an evolutionary process” (Finamore, 1998: 285) and awareness of that process may shed light on a phenomenon, such knowledge, as Moghadam and Wilson have shown, cannot be absolute.

Furthermore, etymological inquiry cannot reveal a word’s true meaning, or what the word should mean (Borchardt, 1968; Edgerton, 1938). To suggest otherwise is referred to as the “etymological fallacy” (Considine, 1996: 365; Petrie, 2000: 36), as the idea that a word’s ‘true’ meaning can be found in its history relies on two unlikely assumptions. The first assumption is that the original meaning of the word can be ascertained. It is often the case that much of the history of a given word will not be available (Edgerton, 1938) and any search for the original version of a word often leads to an infinite regress cut short by a lack of historical material, rather than the discovery of the ultimate source. The second unlikely assumption is that this original meaning has been retained through each adaptation of the word. This is not necessarily the case as “the original sense of words is often driven out of use by their metaphorical acceptations” (Samuel Johnson, quoted in Petrie, 2000: 36). These concerns
support Edgerton (1938: 711), who suggests that an etymological interpretation “can never...result in anything but a guess as to the meaning” and may be employed only when there is a lack of evidence of known usage. On this basis, one might argue that the word ‘tip’ should be defined as “money given for a service” on the basis that most researchers who have dealt with tipping use it in that fashion.

However, ‘known usage’ of a word may itself be a function of the etymological fallacy employed en masse. Petrie’s (2000: 54) study of the word “holocaust” and its usage in relation to the “Nazi-orchestrated mass slaughter of Jews” is an example of known usage resulting from researchers succumbing to the etymological fallacy. Petrie asserts that Holocaust scholars falsely assume the reason why the event was originally referred to as the Holocaust is due to the word’s affiliation with religious sacrifice. Petrie points out that this affiliation was replaced centuries earlier and the word holocaust had “taken on a secular meaning of ‘burning up’” (2000: 55). This, according to Petrie, is why the word came to be applied to that particular genocide. The reason Holocaust scholars came to associate the word ‘holocaust’ with religious sacrifice was due to not recognising their own fallacious assumption that the original meaning forever remained embedded in the word. In other words, Petrie asserts there was a failure to appreciate the shift that had occurred in the word’s meaning in an intervening period. This “mystified” (Petrie, 2000: 54) the Holocaust and corrupted the interpretation of history. Thus, relying on known usage of a given word does not guard against the pitfalls of the etymological fallacy. Failure to recognise this can result in misdirected research; this, I argued in chapter 1, is what has happened with respect to research into tipping.

As is the case with my research into tipping, Petrie’s ultimate concern is to understand the Holocaust, the thing, rather than holocaust, the word. To that end, his research is directed at how the word has influenced understanding of the thing. Petrie concludes with two points. First, “[a]s one of the first hermeneutical moves regarding an event, its naming frames and remembers events [and] determines particular knowledge of events...mold[ing] events in the image of its culture’s particular understanding” (Young, 1990: 87-88, quoted in
Petrie (2000: 54). Given his analysis of how the word ‘holocaust’ was applied and subsequently redefined in the late-twentieth century, Petrie (2000: 54) makes his second point:

“...the key ‘hermeneutical move’ may not be the actual naming of an event but the construction by scholars of a false or misleading history of an existing name and of the name's meaning(s) and overtone(s). This construction, if unchallenged, will then help mold a ‘culture’s particular understanding.’

Petrie shows that a word influences how the thing it symbolises is perceived and studied. Of benefit to researchers, the details of a word’s etymology may shed light on the nature of this process. In the absence of an etymological appreciation, understanding of a word may be obscured if its meaning is collectively reconstructed. Therefore, although etymological inquiry is unable to provide a word’s ‘real’ meaning it may still aid in understanding both the phenomenon and the word that represents it. Etymological analysis may even be vital if a word’s meaning has been unduly reconstructed. The following subsection develops these considerations with respect to tipping and the act of giving money to service-employees.

**Tip: An Etymology**

In providing a fulsome history of the word ‘tip,’ I consider the word as it pertains to money given to service-employees but also include the word’s other meanings. The purpose is not to find the origin of the word tip, nor to find its ‘real’ meaning. However, since I have demonstrated in chapter 1 that an enduring classic mischaracterisation of money, combined with a false origin story, has re-characterised the word tip as part of a trade, resulting in a mismatch between the definition and the phenomenon, I develop a new etymology of tip here. The purpose of doing so is to demonstrate how and why in eighteenth century England the word came to be applied to the new practice of giving money to service-employees. The discussion addresses the two “hermeneutical moves” of naming a phenomenon and the subsequent reconstruction of the “history of an existing name” (Petrie, 2000: 54). This subsection explains how the word first came to be applied to the act of tipping as an aid in understanding the phenomenon.
The OED, which lists various definitions of ‘tip,’ is the data source for this new etymology. Also included in this analysis are the word’s derivatives, specifically “tipping,” “tipped,” “tippable,” “tippee,” “tipper,” “tipple,” “tipplage,” “tipsy” and “tippler.” Considering each sense of the word separately, a total of 112 variations of the word tip and its derivatives can be identified, each supported by numerous examples in which the word has been used, ranging from c1225 to 2000. Heller’s (1965: 113) problematisation of using dictionaries as data sources, as he deals with the “major flaws in the etymological practice of modern dictionaries,” is not applicable in this research as I do not rely on the etymologies provided by the OED. Rather, I extract the definitions, along with when and how they were used, to construct a new etymology separate from the etymological information offered by the OED. Consistent with the Grounded Theory approach, as advocated by Strauss & Corbin (1998) and Glasser (2001), I organise these 112 variations into categories based on the relatedness of their meaning (see Appendix). The purpose is to enable a “theory to emerge from the data [rather than] putting together a series of concepts based on...how one thinks things ought to work” (Strauss and Corbin, 1998: 12).

This process led to the construction of six categories, each of which “stand for phenomena” (Strauss and Corbin, 1998: 114) and are named accordingly. They are noted here along with a brief description and the date from which the OED has evidence of its usage, giving an indication of when each category of meaning came into being. The first category, Extremity (c1225), refers to an endpoint. The second, Impact (1400), refers to distinctly, but not forcefully, striking the edge of something. The third, Imbalance (1530), refers to being unstable as a consequence of being struck. The fourth, Tilting (1624), refers to anything that assumes a slanting position due to deliberate action. The fifth, Intoxication (1560), refers to intoxicating substances, typically alcohol.¹ The sixth category, Gift (1610), refers to giving. These categories are divided into sub-categories. Of relevance here, the Gift category consists of three sub-categories, including that relating to generalised gifting, the giving of useful and private information and

¹ This includes the consumption, effect and the commodity itself. The selling of alcohol also falls within this category but is considered separately as it seems to have developed separately from the other variations within this category. Regardless, such a discussion is not relevant for the purposes of this chapter.
the giving of money to service-employees (which came into usage in 1707). All 112 variations of the word tip (and its derivatives) in the OED is represented by one of these categories.

The construction of these categories reveals that, in the thirteenth and fourteenth centuries, the word tip referred only to an extremity. By the early-fifteenth century it also came to refer to an impact to an extremity. The word tip developed a third application by the sixteenth century, referring to imbalance caused by impact. In each instance, it appears that new meanings were enabled by already established meanings of the word. For example, the word tip could be applied to Imbalance in the early-sixteenth century for, at the time, it referred to the Impact that caused imbalance. Each new meaning was a slight and appreciable adaptation of the old enabling collective agreement for the word's new application. Following this logic, by the late-sixteenth and early-seventeenth centuries the word tip took on three new categories of meaning, specifically Tilting, Intoxication and Gifting; all, arguably, an adaptation of the word as it applied to Imbalance. Imbalance relates to Tilting for deliberately tilting something causes a shift in movement, not unlike that caused by an imbalance. Imbalance relates to Intoxication due to the imbalance intoxication can lead to. Imbalance relates to Gift, given the imbalance caused a relationship upon the giving of a gift. The remainder of this sub-section focuses on the Gift category.

How the word tip, as it relates to imbalance in the sixteenth century, could be applied to gifting in the seventeenth century (then, more specifically, to giving money to service-employees in the eighteenth century) requires a short discussion of the consequences of gift-giving. Marcel Mauss, in The Gift, revealed that gift-giving universally invokes an obligation on behalf of the receiver to reciprocate. Mauss concluded reciprocation of a gift is essential in “stabilizing relationships” (1990 [1925]: 82). This suggests an unstable relationship exists after the receiving of a gift but before it is reciprocated. Since Mauss, scholars have embraced recognition of the existence of a social obligation to reciprocate and have elaborated on the characteristics of gifting. This issue is taken up more fully in chapter 8. For present purposes some examples of this discussion include Gregory's (1982) discussion of the types of relationships gifts can create and the
importance of time delays regarding counter gifts, and Yan's (1996) emphasis that reciprocal gifts may not be material but deference instead. Further, numerous experimental studies demonstrate that people do reciprocate after receiving gifts, under a variety of conditions (Fehr and Gachter, 2000; Henrich et al., 2001; Strohmetz et al., 2002). These studies repeatedly suggest gifts bring imbalance to relationships, invoking reciprocation to re-establish stable relations. Thus, it is arguable that the word tip, given its already strong association with imbalance, was applied to, and became partially synonymous with, gifts in the early-seventeenth century (from 1610, according to OED records), due to the imbalance created by gift-giving.

The practice of giving money to service-employees before service commenced in eighteenth century England (Segrave, 2009) and the word tip was used to represent this phenomena (at least from 1707. See OED, tip, n.3). The act was labelled ‘tip’ even though there were other options more directly related to the practice. Possibly most fitting was the word ‘gift,’ since the act literally involves giving money. Perhaps the term gift was too generic to be applied in such a specific instance, but there were already different types of gifts for which distinctions had been made by use of a prefix, such as ‘birthday gift,’ or ‘wedding gift.’ As such, it would seem a term such as ‘service gift’ might have slotted seamlessly into common parlance. On the other hand, the act could have also been labelled a ‘service payment,’ if one were to focus exclusively on the economic element. But these, seemingly more obvious, options were forgone in favour of the word tip. I argue this was due to the conceptual distinction between social and economic exchange that was developing during this period in English history.

Eighteenth century English life was conceptually divided between ‘economic’ and ‘social’ interaction. Hart (2005a: 164) refers to this as the “two circuits of social life” as it effected a separation between two modes of being, each widely considered to operate independently of the other. The “economic circuit” was characterised by explicit, formal, rules of exchange, which had a short-term materialistic focus. In contrast, the “social circuit” was characterised

2 Only in subsequent centuries did it become customary to tip after service. See chapter 3.
by long-term meaningful relationships, extending beyond the material. Material exchange within the social circuit was afforded in the form of gifts, but these were purported to represent and strengthen the relationship rather than fulfilling material requirements. Thus gifts, while perhaps meaningful to the parties involved, became seen as “irrelevant to the workings of modern societies” (Liebersohn, 2011: 5) and the prevailing discourse of the time was that mixing gift exchange with economic trade was inappropriate (Liebersohn, 2011). Zelizer (2011) refers to this discourse, which remains today, as Hostile Worlds theory, which pertains to the belief that mixing circuits inevitably leads to the corruption of the economic circuit and erosion of the social circuit. Zelizer notes that, despite the sustained dominance of this narrative, people have always combined economic and social exchange. Tipping is an example of this.

Nevertheless, giving money to service-employees did not fit within either conceptual category. It could not be considered a gift for that had been characterised as an inalienable “token of the giver’s concern or affection” (Carrier, 1991: 126), a free expression of a social bond (Liebersohn, 2011). The gift of money, when accompanied with desire for service, did not comply with these requirements. Yet the act of giving money to a service-employee could not be referred to as a ‘payment’ for it lacks the myopic indifference that, conceptually at least, characterises commercial activity. Therefore, labels such as ‘service gift’ and ‘service payment’ would have been problematic as they unduly characterised the phenomena as either purely social or purely economic. As giving money to service-employees sat in both circuits, the word tip was relied upon to represent it. By the seventeenth century the word, tip, had become partially synonymous with gift, due to its prior association with imbalance, yet, unlike a gift, did not hold the pretence of being ‘free,’ enabling the giver to explicitly expect reciprocation. Likewise, the label of tip, instead of ‘service payment,’ did not undermine the informality and personal nature of the arrangement. The label tip represents the dual nature of the act. For the purpose of this dissertation, the word tip is understood in light of its historical context; tip is defined as giving money to service-employees, not including that which constitutes the contractually obligated payment. This definition does not mandate that it be done for service. This is consistent with research findings
discussed in chapter 1 that have failed to establish a clear connection between tipping and service despite considerable efforts to do so.

Section 2: Participant Observation at Freddy’s Bar and Frank’s Bar

This understanding of tipping as part of a social and economic exchange between customer and service-employee sits at odds with the way in which tipping is often conceptualised in the literature. As discussed in chapter 1, tipping researchers have tended to present tipping as part of a trade—a payment for service. This has led them to construct models whereby tip payments are equated to utility gains in the form of perceived levels of service. It is this assumption that leads researchers to deconstruct ‘service’ and consider it in terms of its supposed different elements (as if it were the same as a material product), which are correlated to tip levels in an attempt to ascertain what it is customers ‘value’ (or, at least, are willing and able to pay for). Although, as mentioned, such studies often take into account factors that influence this process of value assessment, tipping is still considered as part of a trade. My etymological analysis presents tipping as an act that possesses elements of both gift exchange and economic exchange. As discussed, and to be elaborated upon in chapter 8, gift exchange involves personal relationships, whereby the meaning of gifts carries value beyond their material utility. The positivist analysis that has hitherto been relied upon to engage with tipping has fallen short of producing satisfactory results, as it has been unable to incorporate the elements of gift exchange into its formulations. I sought to redress this shortcoming by conducting participant observation within two public bars.

Participant Observation and Semi-Structured Interviews

Public bars were chosen as the environment in which to observe tipping practices because they are more amenable to participant observation than the alternatives. Restaurants, the focus of most of the research referred to in chapter 1, require a participant observer to take up a table during dining peak periods of lunch and dinner. The opportunity cost to the venue would likely cause management to hesitate in hosting such research. Even if I did not take a table I would be in the way of busy waiters interspersed with my interrupting dining
parties. Consequently, participant observation in restaurants is impractical and would require reliance on exit-interviews and surveys. Hotels, another potential place for observation due to the occurrence of tipping (Lynn and Gregor, 2001; O'Connor, 1971), are problematic for other reasons. A researcher's capacity to observe is limited as participants are compartmentalised, each within their private rooms, making observation difficult. Taxis are another situation in which tipping commonly takes place (Adams, 2006; Beech, 1999), but participant observation would require permission to ride along with a taxi driver and even this would permit only fleeting contact with patrons. Davis (1959) did undertake a study of tipping practices of taxicab patrons, based on six months of participant observation during his time employed as a taxi-driver. Karen's (1962) attempts to expand upon Davis's findings required him to forego participant observation in favour of statistical surveys due to the nature of the interaction between taxicab drivers and passengers.

Public bars, on the other hand, afford effective participant observation. Spindler and Spindler (1983: 56) note that a bar is a “relatively manageble context in which to study behavior.” By virtue of entering the premises, a researcher becomes an effective participant. Barriers that might be faced in a restaurant, such as finding ways to interact with both patrons and service-employees in a way that is not disruptive and unwelcome, are overcome by the very nature of bars themselves; such sociality is expected from most bar-goers. Bars allow the researcher to talk to people in the moment, as situations unfold, enabling a reduced reliance on people’s memories. Ocejo (2010) recently undertook research into the nature of bartending work that involved participant observation in New York bars; he notes that “[g]iven the conviviality of bars, I was able to talk to the bartenders and question them about their work as they engaged in it or immediately after the fact” (2010: 180). The social nature of bars has enabled easy access for a number anthropologists to “watch, listen, inquire, and learn as people went about being themselves in customary contexts” (Spindler and Spindler, 1983: 52), and has resulted in well known anthropological research pieces including Lindquist's (2002) *A Place to Stand* and Spradley and Mann’s (1975) *The Cocktail Waitress*. Bars have been repeatedly demonstrated as effective places for participant observation.
Consequently, I deemed it to be the most appropriate context to research tipping practices, particularly given the limitations of the alternatives.

Due to the amenable conditions of bars, I undertook participant observation consistent with how it is commonly understood. In other words, I participated “in the daily life of the people under study [which, in this case, included bar-owners, bartenders and patrons]...observing things that happen, listening to what is said, and questioning people, over some length of time” (Becker and Geer, 1957: 28). I did this by being a patron and in doing so, I was able to place myself “in the shoes’ of [participants] in order to ‘see local realities’ through ‘local eyes’” (Bourgois, 2002: 18). This applies most to patrons as I was literally able to become one simply by virtue of purchasing and consuming alcohol within each bar.  

3 To a lesser extent I was also able to achieve experiencing each venue from the bartenders’ points of view as I did work behind the bar at each location. For the most part, however, as was the case with the owners, knowledge of the bartenders’ points of view came from spending time with them within the bar (when they were working and off-duty), asking them about happenings in the bar when possible and observing how they interacted with other participants as they carried out their work. As these activities appeared, to an onlooker, consistent with the behaviour of most patrons, I was able to conduct participant observation while causing minimal disturbance to the order of things.

Due to causing minimal disturbance within each bar, I assume that there was no “reactivity,” as discussed by Harvey et al. (2009), that might have distorted what I observed. As for the participants who were familiar with my purpose for being in the bar and, in particular, those I came into direct contact with (such as the owners, bartenders and patrons who I came to know), I suggest any reactivity was minimal since my queries related to matters most considered non-controversial, commonsensical, and ‘everyday;’ such matters did not arouse

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3 My original plan was to not drink alcohol during participant observation, out of concern this would corrupt the validity of the data. This proved impractical as it undermined my ability to ‘fit in’ in each setting. Drinking alcohol allowed me to fully participate as a patron. Only after purchasing and consuming alcohol could I participate in the typical economic and social exchanges in the same fashion as patrons within each bar. Caution was taken in terms of ensuring a moderate intake of alcohol so that data integrity was maintained.
concern. Furthermore, due to being a patron, as much as a researcher, the concern of Johnson et al. (2006: 111), that “observation has been emphasized over participation” to the general detriment of ethnographic output as researchers forgo opportunities to participate in activities of the people under study, is not a concern in this instance. My default hybrid patron-researcher status ensured I was consistently participating. The exception to this was when I was taking notes. Unlike Ocejo (2012: 646), who opted to record notes after leaving the venue or, at the very least, would briefly remove himself from proceedings for that purpose, I decided to take notes in situ, in full sight of participants. I made my notes available to interested participants, in order to establish trust. A small number of patrons noted that while my taking notes appeared strange to them at first they soon got used to it and even stopped noticing it. Also, as was the case for Low (1996) who, as part of her methodology, carried a camera during a study of urban space of plazas in San Jose, Costa Rica, and found that the “camera gave many people an excuse to talk to [her] and to ask what [she] was doing” (1996: 864), I found that writing in a notepad facilitated the research. Many people, interested in what I was writing, approached me leading to more discussion of the research topic and the generation of more data.

I conducted participant observation in this fashion for over three months each at Frank’s, in Melbourne (Victoria), Australia, from February 2011, and at Freddy’s, in Brooklyn (New York), America, from July 2011. Details regarding each bar, and how they came to be chosen for this research, reside in the upcoming sub-section. In each case, I visited the bar approximately four times per week, staying between five to eight hours on each occasion. I arrived at different times during the trading day to ensure I was privy to the many atmospheres and ‘crowds’ each bar hosted. For example, sometimes I arrived soon after the bar opened (midday in both instances) and observed and interacted with smaller, more intimate, crowds of people. Other times I began observations much later in the day, often to find a much larger number of people, with many unfamiliar with each other. I typed the notes I took in situ the following morning. In both cases, I continued this process beyond the planned three months, resulting in an excess of 300 hours of participant observation in
each bar. Toward the end of this process, I was invited to work as a bartender in each instance. I worked five paid shifts at Frank's to help the owners fulfill short-term gaps in their roster. At Freddy's, I completed only one unpaid shift, working with the bartender who normally completed the shift unaccompanied. Despite the different circumstances under which I worked as a bartender in each setting, it was beneficial to experience activities I had hitherto only been able to observe.

I conducted semi-structured interviews towards the end of my third month and beginning of my fourth month of participant observation at each bar. At Frank’s, I interviewed all three owners, eight bartenders and four patrons. At Freddy’s I interviewed two of the three owners, four bartenders and five patrons. This process resulted in my conducting 26 interviews in total. Guest et al. (2006: 59) have demonstrated that such a number of interviews are sufficient in order to reach “saturation,” which they define as “the point at which no new information or themes” are observable in interview data. Because these interviews were conducted after the majority of participant observation had been completed I could develop questions relevant to the context in which I was asking them. Consequently, the questions I asked of Frank’s participants do not directly correspond to the ones I asked of Freddy’s participants. For example, the interview schedule I developed for Freddy’s participants included questions relating to “buybacks”—which involved a bartender not charging a patron for a drink, an activity closely related to tipping practices at Freddy’s—something that did not occur at Frank’s. However, these interviews were not conducted at the very end of my time at each bar. This afforded me, similar to Ocejo (2012) in his use of semi-structured interviews of bartenders, to ask follow up questions at a later time; I could then test interviewees’ statements “against observations of their actual behavior, which strengthened the data collected” (2012: 647).

4 I will expand upon the process of transitioning from a patron-researcher to a bartender-researcher in chapter 5
5 The length of these interviews varied considerably, ranging from approximately 15 minutes to 45 minutes. Generally speaking, interviews with American participants tended to be longer, presumably because many questions related to tipping, which is something that has greater significance in, and influence upon, their daily lives.
These semi-structured interviews supplemented data generated by the process of participant observation. Interview data were not the primary reference point in the writing of this dissertation. During their execution I considered these interviews to be more a way of clarifying observations and a way to broach issues less appropriate for general conversation (again, ‘buybacks’ serve as a good example of this as they usually took place without discussion between patrons and bartenders). While interview schedules were constructed on the basis of those observations they were used more as conversation prompts than strict rules ordaining the direction of discussion. DeLeon and Cohen (2005) note that probes lie at the heart of a successful interview, as they facilitate the flow of conversation and help elicit information. To that end, I did not ask each interviewee the exact same questions; rather, I used each of their answers as a guide to decide the next question with which I would follow up, chosen from the list of questions in the interview schedule. While this approach foregoes a major benefit of the interviewing technique, namely “greater comparability in responses, and increased simplicity in initial coding” (Potter and Wetherell, 1987: 163), it allays many of the criticisms of the interview as a technique of data generation. Becker and Geer (1957: 30) note that an interviewee may withhold information; what my approach achieved was to encourage interviewees to talk about matters they might otherwise have thought irrelevant because they seemed so obvious as to not bear mentioning.

In addition to the adaptive manner with which I asked questions of participants, the interviews took place in the bar area of either Freddy’s or Frank’s, often among other participants who happened to be in the vicinity. Conducting the interviews in this fashion reduced the difference between what was said in the interview and what was said to me during participant observation. This largely overcomes Silverman’s (1973) concern that what is said in an interview is different from what is said in everyday conversation. Silverman (1973: 39) notes that since interviews are “arranged at certain times and places...they typically arise out of appointments...the time and place of everyday talk, however, is not usually pre-arranged [and everyday conversations] do not have agendas or the same kind of outcome orientation.” Consequently, he argues, data derived from interviews is fundamentally different
from data generated out of everyday conversations with participants, and should be treated accordingly. However, my interviews were conducted at the same place as I had associated with the interviewees for months prior, and often undertaken in the company of the interviewee’s friends and associates. Given this, and that my interview schedule, rather than prescribing the conversation, was merely used as a way in which to prompt discussion of particular topics, I assert Silverman’s concerns do not apply to this research. I therefore do not distinguish the supplementary data within interviews from my primary source of data within observational notes in either my analysis or the dissertation itself.

Freddy’s Bar and Frank’s Bar: An Introduction

It is pertinent at this point to give a brief description of the two bars. Particular elements will be elaborated upon within subsequent chapters when relevant. Freddy’s and Frank’s are ‘neighbourhood’ bars, labelled as such due to their “appeal for local residents and [their] strong group of regulars” (Ocejo, 2012: 646). These two bars were chosen within the research process, not before. Furthermore, they were chosen separately, with participant observation at Frank’s completed before Freddy’s was found. Frank’s was selected in early 2011 because it was small and amenable to easy observation. Also, Frank’s was owner-operated. This afforded the three-way relationship between owners, bartenders and patrons to be readily witnessed. Following participant observation, the list of factors that made Frank’s what it was became extensive. With this list, I then sought an American bar with similar characteristics. New York City was chosen for the search as its high density increased the chances of finding a comparable bar. Brooklyn’s “gentrified” (see Ocejo, 2011) neighbourhoods were the focal points during the search as their socio-economic conditions closely replicated the neighbourhood in which Frank’s was situated; the assumption of this approach was that similar neighbourhoods would likely accommodate similar bars and also keep local external forces comparable. I found Freddy’s after five weeks of searching throughout Brooklyn. Freddy’s shared more characteristics

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6 At Frank’s, and indeed throughout Australia, the term ‘local pub’ would be used rather than ‘neighbourhood bar’ but the meaning is similar.

7 The importance of keeping the locations similar reflects an approach to the study of work since Warner’s Yankee City study, which highlights the relevance of factors external to the organisation (see Baba 2009).
with Frank’s than any other bar I surveyed. Freddy’s owners agreed to host my research and I began participant observation there in July 2011.

Frank’s was owned by Lyle, Sloan and Jake. They bought it approximately five years prior to my participant observation there. Before owning Frank’s, Lyle and Sloan had owned another bar in a nearby neighbourhood but sold that in order to acquire Frank’s when it became available. Jake, a long time friend of Lyle’s, was recruited to help finance the acquisition of Frank’s and assist with operations. The previous owners sold Frank’s as they were unable to operate profitably, so, having bought the venue, Lyle, Sloan and Jake set about making capital improvements. This primarily included renovations and purchasing better equipment, all with the intention of improving the sound quality of the live music. They also sought to attract more bands popular in the local music scene to play in their venue. During the beginning of this process, Lyle, Sloan and Jake could not afford to pay employees so were responsible for the bartending work as well as the other aspects of managing a bar with a music venue attached. Lyle spoke of the long hours for little revenue and a constant fear that they had made a mistake by embarking on this venture. But after two years, he stated, it was “like somebody had flicked a switch” and their investment started to generate returns. Patronage increased, affording the employment of bartenders, which in turn afforded the owners time to improve other aspects of their operations, which in turn increased patronage again leading to the employment of more bartenders. This cycle continued and Lyle, Sloan and Jake no longer needed to tend bar (although Sloan had chosen to continue to work one shift per week).

Frank’s was a small establishment with the capacity for only 130 people, and mostly associated with live music by those who knew of it. Live music was performed every night, which usually included one to four bands playing between two to four hours. However, Frank’s was open for business from 12pm to 3am, seven days per week. This left a considerable amount of time when live music was not playing and the venue operated as a bar, which sold drinks only. The owners noted they could not operate exclusively as a live music venue and thus catered to a broader range of people with different interests. They used a small space above the venue to host art exhibitions and, prior to my arrival,
comedy acts. Frank's had a working fireplace that was put to use on Monday evenings, in the winter months, by which a knitting group congregated. Sometimes, after the knitting group had left, local hospitality employees were allowed to act as disk jockeys in an attempt to draw their fellow hospitality workers as patrons (Monday night was effectively the weekend for hospitality workers). Lyle talked about these extra goings-on as part of a broader business strategy. Not only might people stay for a drink after participating in these events but also the events gave people an excuse to see inside Frank's, whereas they might not have otherwise. Lyle suggested that once people come to Frank's some of them may find it is the type of space they can socialise and revisit at a future time, without the need for an art exhibition or knitting group as a driving impetus. Even though Frank's cultivated identity was that of a bar with a music venue, it operated as many things to many people. Supporting these activities and associated meanings was the money generated by alcohol sales.

Freddy's was owned by David, Marshall and Kevin. They bought it from the previous owner less than two years prior to my participant observation. David and Marshall were both bartenders at Freddy's under the previous ownership, with David taking on certain management responsibilities during that time. Just prior to their assuming ownership, Freddy's (along with other nearby businesses) was required to change location due to a development project. David and Marshall, in combination with their friend and former Freddy's bartender, Kevin, bought the Freddy's licence and rebuilt the bar in an adjacent neighbourhood, using the venue's original fittings and fixtures. The "new Freddy's," as participants sometimes referred to it, opened for business approximately six months prior to my participant observation there. All the bartenders who were employed in the previous location kept their jobs in the new setting, with Xavier, previously a regular patron, employed also. Due to moving location, Freddy's did lose some of their regular clientele but many still made the slightly longer trek to the new premises. David stated that they were still in the rebuilding phase during my time there, not in terms of the physical bar itself but in terms of generating new regular patrons. Revenues were sufficient however, he said, particularly given their early stage of ownership. All three owners continued to work regular bartending shifts.
Like Frank’s in Melbourne, Freddy’s had a space where live music was performed (as it did at its original location) and many participants associated the venue with live music. Freddy’s had a slightly smaller capacity in terms of the number of patrons licensed to be on the premises (74), despite being of similar size to Frank’s. However, this was only because New York City regulations required a *Place of Assembly Certificate of Operation* for 75 or more members of the public to congregate indoors.\(^8\) This was a certificate bars tended not to acquire due to the cost and inconvenience in doing so. Kevin said most bars in the area would have a licensed maximum capacity of less than 75 for this reason, regardless of how big the venue was. Live music was played in a space adjoining the bar room most nights of the week. Comedy shows were also regular events there. This space was also used for art exhibitions and as a meeting place for patron-initiated creative activities, including knitting. Similar to Frank’s part owner Lyle, David suggested a major reason for these non-bar related activities was to attract people to the venue. Not only did he expect that people attending these events and activities would purchase drinks but he also anticipated that a proportion of those people would come to like the venue itself. David stated, “I believe, in general, when somebody comes in here, if they’re looking for a bar I’m gonna get ‘em, you know. ...I’m just waiting for people to see the place.” The goal for David was to give people a reason to come to the venue, through music, comedy, artworks, and other such events with the confidence that the venue itself would be sufficient reason for subsequent visits. As was the case with Frank’s, then, Freddy’s was a bar that operated as many things to many people, with a music venue attached, and hosting a range of other events and activities. Also, just like Frank’s, supporting all of this was the trade that took place over the bar top.

The similarities with respect to the background, ownership structure, and operations of Freddy’s and Frank’s are compounded by various other similarities. As I elaborate upon in chapter 5, both bars were architecturally structured in the common “L” shape. The combined size of the bar room and adjacent music room were comparable (each approximating 1400 square feet).

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Further, in addition to each venue having a room adjacent to the bar area in which live music was performed, each venue had a courtyard at the rear of the premises. As expanded upon in chapter 6, each bar stocked a range of alcohol, consisting mostly of beer and liquor typical of their respective locations. Participants in both venues noted the simple product range as a fundamental element of the bar. For example, people referred Freddy's as a “shot-and-a-beer bar,” suggesting the bar’s basic product line was characteristic of its unpretentiousness. Similarly, Simon, Frank’s bartender, described his job as “pulling pints and doing some mixed spirits” and suggested the straightforward drinks range was one of Frank’s appeals. Each venue had one bar area, was open seven days per week, served drinks only for which cash was the only accepted method of payment.\(^\text{9}\) Freddy’s and Frank’s were typically patronised by an almost even mix of men and women, who were mostly between 25-50 years of age, predominantly white, and generally lived in the local area (with obvious daily variations).

Furthermore, and as is elaborated upon in chapter 7, Freddy’s and Frank’s bartenders were employed according to “non-standard work arrangements” (Kalleberg, 2000: 341; Kalleberg et al., 2000: 273), meaning they forewent the benefits of full-time employment.\(^\text{10}\) Freddy’s bartenders typically worked alone\(^\text{11}\) and were paid \$USD40 per eight-hour shift\(^\text{12}\) plus tips, which usually ranged from approximately \$USD50 to \$USD400. Frank’s bartenders worked in teams of up to four and were paid approximately \$AUD20 per hour,\(^\text{13}\) with shifts ranging from five to eight hours. Consistent with Lloyd’s (2006) characterisation of bartenders, most Freddy’s and Frank’s bartenders used their earnings and flexible work schedules to accommodate other activities, such as tertiary study

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\(^\text{9}\) This eliminated the risk that I might have been unable to observe transactions due to the use of credit cards.

\(^\text{10}\) At Frank’s, as is typical for the Australian service-industry, bartenders were employed on a ‘casual’ basis. Legislative requirements ensure ‘casual’ employees’ hourly wage is higher than that of full-time employees to compensate for the loss of employment rights and conditions. This trade-off happens to result in Freddy’s and Frank’s bartenders having similar employment rights and conditions (except for their wage rate). Of significance, both sets of bartenders are employed at the will of the owners, who do not need to give notice to terminate their employment.

\(^\text{11}\) However, two bartenders were on duty each Friday and Saturday night.

\(^\text{12}\) Freddy’s shifts were either 12pm to 8pm or 8pm to 4am (close).

\(^\text{13}\) Owners collected tips, which were distributed equally among bartenders two to three times per year. Bartenders spoke of receiving amounts in the hundreds of dollars in those distributions but this constituted a negligible part of their overall income.
or various creative pursuits. Yet, despite these bartenders’ financial and legal vulnerability and the power this potentially afforded their employers (see Pratten, 2004; Lucas and Ralston, 1997) both sets of bartenders and owners described a positive working relationship. In both places, bartenders stated they enjoyed, and thought themselves fortunate, to be working at such a bar and appreciated the efforts of owners to accommodate their personal circumstances. Consequently, staff turnover in both bars was low. These similarities afford a capacity to isolate and analyse differences, identified during participant observation.

**Closing Remarks**

This dissertation proceeds on the basis that a tip is simultaneously a social and economic act, defined as money given to a service-employee beyond contractual obligation. This departs from the definition relied upon by most tipping researchers, who suggest tipping is money given for service. This new definition is based on the etymology of ‘tip.’ The word was applied to the new phenomenon of giving money to service-employees in eighteenth century England amid the conceptual division of social and economic life in order to ensure recognition of the social and economic elements of the act. But a subsequent corruption of the word’s definition has led to only the economic elements of tipping being the subject of research; these positivist methods have disregarded the social elements of tipping, particularly what it means to people. I undertook participant observation in two bars, Freddy’s in Brooklyn and Frank’s in Melbourne, in 2011. This included my spending over three months in each bar, observing and participating in the goings-on, talking to people as opportunities arose, taking notes in situ, conducting interviews and completing a small number of bartending shifts. The purpose was to understand the ways in which tipping fit within the broader scheme of social life and, to that end, what tipping meant to people. I assert that such meanings are important to understanding why tipping occurs. The descriptions that emanate from this process are predominantly outlined in chapters 5 to 8. They are, however, also couched within the national

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14 In each case, a minority of bartenders did not pursue such activities but stated bartending was something that “will do for now,” rather than considering it as a career.
histories to which they relate. Such histories are the focus of the following two chapters.
PART II: STRUCTURE
Chapter 3: Australia and America’s Reactions to Tipping

“Wages!” Australia’s relatively high minimum wage, by international standards (see Neumark and Wascher, 2004), was the reason most Frank’s participants gave for tipping not being standard practice in Australia. This focus on the minimum wage—the government mandated minimum employers could pay their employees—is a long way removed from the US focussed literature regarding tipping research, discussed in chapter 1. As we saw in that chapter, tipping research has concentrated on the utility of the customer and factors that may influence it, such as the behaviour of the service-employee. In this chapter, however, I aim to demonstrate that the focus on customer choice is too limited. The social conditions in which tipping may, or may not, arise, and particularly those conditions affecting employer-employee relations, are just as important. Throughout this chapter, I assert the more power held by employers the more they are able to devolve risk to employees, such that fixed wages are reduced and employees become more reliant on tips. This, in turn, affects the relationship between the service-employee and customer. When service-employees are required to take on income-risk, tips soon become expected and then demanded from customers. It is the structural conditions, exemplified by the difference in power relations in the American and Australian labour markets, that underlie national differences in tipping cultures.

Most of Frank’s bartenders were not concerned about receiving tips. The bar had a tip jar, but bartenders seemed largely indifferent to whether patrons placed money in it. Correspondingly, most Frank’s patrons did not tip, consistent with a recent report regarding tipping habits in Australia (McCrindle, 2010). During interviews with Frank’s bartenders, most of them confirmed their disinterest in their patron’s tipping decisions and suggested that people in Australia should not feel obliged to tip, within Frank’s or in any other situation. Luke, Frank’s bartender, however, was an exception, having sympathy for the idea that people should tip in certain circumstances. In certain hospitality-based

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1 Substantial sections of this chapter have been published; see Burgess JF. (2012) Tipping in Australia: The Result of American Influence? Journal of Australian Studies 36: 377-392.
businesses, he suggested, service-employees focus on delivering considerable service, to which patrons should respond by tipping commensurately with that effort. (Luke did not consider Frank’s such a business.) Luke concluded the interview by telling me his “tipping story,” which involved an interaction between himself and two customers of a vodka bar, where he worked a few years earlier, a place of business where he considered bartenders went to considerable lengths to cater to patron’s wants. Luke stated:

“[They were an] older couple, probably mid-50s. They were asking me about the vodka...and we had a really good chat and [I] explained a few things about the vodka to them and then, um, when they were leaving the woman said to me, like, ‘what’s your name?’, and she actually asked me do I own the venue and I said ‘no, no I just work here.’ And she said ‘you’re really, really, good at your job,’ and I was like, ‘thanks...that’s really nice of you.’ She asked me, ‘what are you planning on doing...?’ You know, all those kind of things that old people ask you...I was like, that is so nice that those guys have taken the time to do that when they didn’t need to. [I said] ‘thanks’ and ‘see you later.’ No tip! And I can’t help but have that little tinge of ugh. It’s there, do you know what I mean?...If those guys had just left two bucks I would have been just the happiest guy in the world that night....[T]here’s just that little bit of, like, ‘I’m not your friend, I’m working here’ as well. That’s what it is, maybe. I dunno.”

Luke compared his situation to how he perceives the situation of American service-employees—receiving tips from patrons according to the level and diligence with which they provide service—and felt that Australian patrons should adopt a similar response to service. He did appreciate the higher minimum wage rates in Australia, compared to the US, and acknowledged that this justified a reduced impetus for Australians to tip. However, he also felt that Australian minimum wages and conditions were not so generous as to justify patrons not tipping under any circumstance. Regardless, while tipping is

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As at May 18, 2010, the Australian Federal full-time minimum wage is $AUD14.31 per hour, effective July 2009. However, legislation requires 'casual' employees (such as the bartenders at Frank’s) to be paid more in compensation of forgoing certain employment conditions. The US Federal minimum wage is $US7.25 per hour, effective January 2010. Note that state laws also affect pay rates of both countries. Since 1966, many states in the US have allowed employers to pay below the minimum if the employee is able to make up the difference in tips. These issues are expanded upon in chapter 4.
considered standard in the US hospitality sector, even “quintessentially American” (Segrave, 2009), in Australia it is not standard practice (O’Neill et al., 2000; Videbeck, 2004-05). Furthermore, according to McCrindle (2010), tipping is something a considerable segment of Australians feel should be actively avoided: "While tipping has got some traction across a few customer segments it has not become an expected practise in the minds of most Australians. Indeed as this research shows many Australians are actively against tipping becoming mainstream here" (2010: 1). One respondent to McCrindle's survey referred to tipping as an “obnoxious Americanism,” which perhaps encapsulates another potential source, in addition to relatively high minimum wages, of Australia's reluctance to embrace tipping. This is consistent with the reason Glenda, Frank's patron, gave for not tipping. She stated that since Australia is "much more open now" many “Americanisms” are finding their way into Australian attitudes and practices. One of these ‘Americanisms’ is tipping—in which she refused to participate.

The term ‘Americanisation’ has had several meanings over recent centuries (White, 1980) but is taken here to represent the transmission of certain cultural reference points found within the United States, which impact upon popular culture, behaviour, and ways of thinking outside the United States (see White, 1980; 1983). Australians have a long history of concern with becoming “Americanised” (Bell and Bell, 1995; 2010), possibly because, as White (1983) suggests, Australia does not possess any of the filters, such as differences in language or standards of living, that may protect against the corruption by US influences of some valorised national identity. Furthermore, White argues, Australia has never possessed a cultural tradition on which to draw like some European states that might defend against external influences. Nor, given Australia’s late development in the world’s process of modernisation, was there any chance for Australia to develop a sense of local industrial culture. Such fears, combined with a sense of loyalty many Australians have to the nation's British origins, has led to the rise of ‘anti-Americanism’ (O’Brien, 2010). Yet, Bell and Bell (1995) argue, despite Australia’s fading links with Britain the “Americanisation” debate has increased recently, perhaps in response to an era
where cultural frontiers are more easily transcended. They also argue against Australians ever being "unwitting victims of America's transforming power" (Bell and Bell, 1995: 131), suggesting that Australians have actively embraced ‘America’ to the extent it was collectively deemed suitable.

Australians have undoubtedly incorporated much that originated in the United States into their own ways of thinking and modes of being. It is unclear, however, whether this is due to the strategic embrace of those parts of America that Australians found aligned with their interests or the realisation of long-held fears. Beginning most notably with the widespread consumption of Hollywood films in Australia during the early-twentieth century (White, 1980), US producers gradually overcame numerous trade barriers erected by Australian governments to increase their exports to Australia (Crawford, 2010). Perhaps enabled by certain national similarities, with both countries being representative democracies and industrialised free-market economies, Australia has been increasingly receptive to what the US has had to offer, including technologies, production and management techniques, along with US corporations and their products (Bell and Bell, 2010; Crawford, 2010; Kirkby, 2008; Mosler and Catley, 1998). As one might expect, these factors have translated into considerable convergence in Australian consumption patterns toward American produce (Emmison, 1997). This has had a considerable impact on the “general structure of Australian culture” (Mosler and Catley, 1998: 38); in some respects, at least, Australian culture has tended towards reflecting that of the United States.3 Why has Australia’s acceptance of Americana4 not extended to tipping practices throughout most of the twentieth century? If the answer is a high minimum wage rate then why is tipping now practiced by some Australians and expected by certain Australian service-employees, such as Luke? I argue the recent shift in the occurrence of tipping in Australia may indicate shifting power dynamics in labour relations in favour of employers, rather than being a result of any ‘Americanisation’ of Australia.

3 As White (1983: 109) states, “Australia may not be living next door to the elephant [as opposed to Canada], but that has not stopped it rampaging through the backyard.”

4 Tipping, as an idea, is highly successful in the US; an estimated $US42 billion is handed over annually in US restaurants alone (Azar, 2009).
In this chapter I explain the different pervasiveness of tipping between Australia and the United States on two levels. First, the different challenges faced by the two countries during their settlement and expansion created different social structures, particularly that relating to power differentials between employees and employers. This set the stage for different tipping customs. An exploration of the history of tipping through the evolution of these social structures allows us to better understand the forces that have resulted in the widespread adoption of tipping in the US and its marginalisation in Australia. Second, this difference has been maintained, in the face of these social structures converging since the late-twentieth century, due to constructed notions of what it is to be ‘Australian,’ which in part includes not tipping. Consequently, the relationship between tipping pervasiveness and social structures can be distorted by cultural inertia. This is important to keep in mind in light of previous attempts to understand tipping from a cross-country perspective, discussed in chapter 1. These attempts sought to correlate tipping prevalence with various characterisations of the ‘national psyche’ (recall Lynn, 1994; 1997; 2000b; 2000a; 2008; Lynn and Lynn, 2004; Lynn et al., 1993). Such studies incorporated data from many countries, but did not consider historical and structural influences. This chapter, along with chapter 4, takes the opposite approach by considering only Australia and the US but offering more in the way of context.

**Beginnings of Tipping: England**

Despite being widely regarded as an American custom, tipping did not begin in the US, and it first appeared there only after the American Civil War (1861-65) (Azar, 2004a). Tipping, it seems, was exported to the US from Europe. As discussed in chapter 2, there is some dispute about how, where and when tipping actually originated, with the most popular story being that it began in eighteenth century English public bars or cafés (Crespi, 1947; Lynn and Latane,

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5 Incorporating additional countries into this analysis would strengthen the claims made in this chapter. However, such inclusions would have to extend beyond a correlation between tipping prevalence and asymmetrical power relations between employers and employees to include cultural factors that may impede this correlation. The inclusion of additional countries, whilst maintaining the level of historical detail as offered here for Australia and the USA, may prove a worthwhile future research project.
I have dismissed as improbable the common narrative that the word originated as an acronym of the phrase “To Insure Promptitude,” which was written on a note, attached to some coins, and given to a service-employee. Nevertheless, there are personal accounts of the practice of customers giving money to service-employees at the beginning of an interaction between them. Segrave (2009: 4-5) cites Samuel Johnson’s biographer who asserts Johnson had once reported: “I had a cut of meat for sixpence and bread for a penny, and gave the waiter a penny; so that I was quite well served - nay, better than the rest, for they gave the waiter nothing.” Johnson’s account is consistent with tipping upon arrival, not after-the-fact, even if there is no indication of how he labelled the act. However, and as discussed in chapter 2, the OED provides evidence that such a practice was referred to as “tipping” in the early-eighteenth century. As these appear to be the earliest accounts of giving money to service-employees, early-eighteenth century England is taken to be the ‘origin’ of tipping for the purposes of this dissertation.

Segrave speculates, however, that the seeds of tipping may have been planted during the late Middle Ages, long before actions such as Johnson’s. Certain lords occasionally gave their servants extra money, “from either compassion or appreciation for a good deed” (Segrave, 2009: 1). Assuming such servants would have received a relatively low wage, unexpected circumstances might well have caused severe hardship and required additional resources. Should the lord wish to retain his experienced servants, he may have chosen to provide them with such resources, lest he be required to source and accommodate new labour. Perhaps given under the guise of “compassion or appreciation,” these gifts enabled the lord to maintain his servants and even ingratiate himself with them.

Segrave (2009: 1) suggests that these gifts led to what were to become known as “vails” by the sixteenth century. A guest visiting a private home would hand over a certain amount of money, a vail, to the servants in recompense for the extra duties imposed upon them by virtue of their stay. There is evidence that by the mid-eighteenth century the expectation of receiving vails was so great that failure to pay would likely invoke retribution (Segrave, 2009: 2).
Indeed, vails became so cumbersome that people would sometimes refuse invitations to private dinner parties because they could not afford the expected payments (Segrave, 2009: 1). The custom of lords giving occasional gifts to servants during the Middle Ages was perhaps a welcome surprise to those servants, but this evolved into an expectation that guests would pay vails in the sixteenth century. That expectation ultimately shifted again, by the mid-eighteenth century, into a demand that guests pay vails to servants.

Vails are a convincing precursor to modern day tips in many ways. Unlike tips, vails are not paid as an adjunct to a commercial transaction and take place in private residences. However, both vails and tips are moneys paid informally after-the-fact for services rendered. Vails began, it seems, as a gracious offer and recognition by the giver, but over time became expected and those who did not partake in the practice were subject to scorn and revenge. The same transformation has been reported in the case of tipping in the US in the late-nineteenth and early-twentieth centuries (for examples, see Segrave, 2009). Indeed, since they are both paid after-the-fact, the vail seems to be closer to the modern day tip than is money given upon entry into a public bar or café prior to any service rendered. Perhaps, however, it was the combination of vails at the conclusion of service in private residences and tipping at the outset of patron/service-employee interactions that led to the next development, which was tipping in hotels throughout Continental Europe.

The English were credited with introducing tipping to Continental Europe in the nineteenth century, specifically the wealthy English who would travel to the Continent and make use of hotels (Franklin and Royce, 1891). Hotels are in the dual position of being a profit-seeking business and also creating an atmosphere similar to that of a private home (Callan and Kyndt, 2001). It appears that the English, when in Europe during this time, combined the practice of paying vails as they would to the servants of private estates with tipping before service as they would in public bars or cafés. In other words, when confronted with choosing between tipping before service or paying vails after service at European hotels it seems English travellers applied the name of the
former and the practice of the latter. Ultimately, it became customary to tip after service.

This practice spread throughout Europe, although those local people who increasingly found themselves expected to comply with what was becoming common practice to access services did not necessarily appreciate it. For example, Franklin & Royce (1891) wrote of the German author Rudolf V. Ihering who, in the *Westermann’s Monatshefte* (1882), noted the significant and wide reaching negative consequences of “Das Trinkgeld.” V. Ihering calls upon the English travelling public who stay in Continental hotels to aid in eliminating this practice; presumably, as he viewed them as the source of the solution, he also saw them as the cause of the problem. Accounts such as these demonstrate that people in Europe viewed English travellers as being responsible for the custom of tipping in the nineteenth century.

**America Embraces Tipping and Australia Rejects it**

Several accounts suggest that people in the US adopted the practice of tipping in the late-nineteenth century. The US elite, who would travel to Europe, brought the practice back to America upon their return, thus displaying their wealth and worldliness in having adopted European customs (Azar, 2004a; Segrave, 2009: 6). As hotels became more common so did tipping, and by the 1890s it was “firmly entrenched” (Spence, 1983: 22) in American society, even if it was often derided at the time as undemocratic and ‘un-American’ (Franklin and Royce, 1891; Scott, 1916). In contrast, early-twentieth century reports in Australia tell a rather different story. Reports from the time indicate that tipping existed and, as in the US, was perceived by at least some as a problem that needed to be brought to an end (for examples, see *The Sydney Morning Herald*, 29 July 1914: 11; *The Advertiser*, 8 May 1915: 19), perhaps due to the fear of the practice spreading (*The Advertiser*, 24 June 1908: 6). However, more than two decades after the practice had become entrenched in America, tipping was still presented as something rather uncommon in Australia, particularly relative to the extent it was practiced in Europe (*The Advertiser*, 24 November 1904: 10; *The Daily News*,
11 February 1905: 10). Perhaps the Australian gentry did import tipping, as did their American counterparts, but it seems that it did not take hold in Australia as it did in the US. Rather, tipping was something that people were “not called upon to face in Australia” (The Sunday Times, 12 May 1935: 5).

In 1891 Franklin and Royce (1891: 498) predicted that American society would not embrace tipping long-term and that it would remain nothing more than a “minor and actually rather harmless social abnormality.” This prediction did not materialise in the US but was, it seems, correct in the context of Australian society. Given the many similarities between the US and Australia in the late-nineteenth century, one might think that the two countries would respond similarly to the introduction of tipping. Authors such as Lloyd (1998), Cross (1996), and Sharp (1955) have compared the two countries and identified numerous and significant similarities; both countries are successfully industrialised settler-societies with origins in Europe, cover a vast land area of comparable size and, while located in relatively undeveloped parts of the world, have established stable representative democracies. Yet, there are also differences between the social structures of US and Australian society. These different structures, I assert, meant when tipping was introduced to these countries the US was susceptible to embracing the practice, whereas Australian society was set to reject it.

One main difference is the role of the government in each country. In Australia, governments have traditionally had, and still do have, a much greater role in the lives of its citizens than in the US. Lloyd (1998: 297) suggests that this is “perhaps the greatest divergence between these two settler societies.” Australians have traditionally looked to the state as the main source of prosperity and protection, whereas the people of the US have over the same period looked towards entrepreneurialism and the free-market. I suggest that this divergence is not due to differences in collective ideologies of the respective founding settlers, but a function of the different situations faced by each society during the expansion of settlement. Although of roughly equal size, Australia’s
relatively low percentage of fertile lands and low population\textsuperscript{7} stunted the development of internal markets. Australia was forced to rely on foreign state capital investment, which was underpinned by wool and gold exports. For the US, on the other hand, vast fertile lands made a larger population considerably more productive. As such, the US was able to develop strong internal markets leading to internally generated, privately owned, capital development. As a result, the government was not needed to guarantee investments to the same degree as in Australia and even became seen in the US as an impediment to progress (see Cross, 1996).

A second difference between Australia and the US is the political influence of wage-labour. Until recent improvements in transport technologies, Australia’s distance from Europe provided a much higher barrier to entry than was the case for the US\textsuperscript{8}, resulting in lower immigration rates. Furthermore, those in Australia tended to concentrate along the coast, forming cities or large towns, whereas the US population became more evenly spread, with more people being able to live in rural areas and become self-employed farmers.\textsuperscript{9} The consequence was that US wage-labourers struggled to increase their bargaining power relative to their employers, for two reasons. First, there were relatively few people reliant on wages, as high proportions of the US population remained rural farmers, which lowered both the supply and demand for labour. Second, in the cities, the constant influx of new migrants ensured high competition for the wage-labour jobs that were available. The consequence of this competition was a reduction in the bargaining position of wage-labour. Australia, by contrast, faced the opposite situation. Low levels of immigration and a high urban population afforded wage-labour more power relative to the owners of production. These differences between the two countries have been well documented (see, for examples, Cross,\textsuperscript{7} 1996).

\textsuperscript{7} In the 1860’s Australia’s population was approximately 1.5 million compared to America’s 30 million (see Lloyd 1998).
\textsuperscript{8} Australia is approximately 10,000 miles from Europe, with the US being approximately 3,500 miles from Europe. (US units of measurement are used throughout this dissertation.)
\textsuperscript{9} In 1890, 35 per cent of the US population was urban, whereas 56 per cent of Australians lived in towns. At the same time 42 per cent of Americans were farmers, compared to only 24 per cent of Australians (see Cross 1996). Furthermore, White (1983: 113) notes, “[t]he rural industries which tied Australia to Britain were capitalist, and capital, not labour, intensive; most Australians lived and worked in cities. The romantic [image of] Australian bush culture...has never been representative.”
The resulting success of Australian labour movements, relative to their American counterparts, is elaborated upon in chapter 4.

High levels of government involvement in Australia, where wage-labour had considerable political influence, resulted in Australians having little motivation to adopt tipping as a strategy to subsidise wages. Thus, it is not only the dynamic between the service-employee and the customer that shapes tipping behaviour, contrary to the focus of much tipping research. Rather, government involvement and the bargaining position of wage-labour are crucial, with these arrangements then affecting the employee-customer relationship. The more power employers have to reduce fixed wages the greater incentive service-employees have to expect and eventually demand tips from customers. This is what happened in nineteenth century America and, given the extent to which tipping is currently practiced in the US and the fact that employers are legally required to pay “tipped-employees” only $US2.13 per hour (McConnell, 2009), appears to have remained the case since. This process is, in many ways, a replica of the emergence of the vails system in sixteenth century England. Power asymmetries between the employer (lord) and employee (servant) lead to low wages, with the employees (servants) then forced to seek compensation from customers (guests). This compensation soon becomes an expectation, then a demand. Whether for tips in modern day US or vails in old-world England, these demands are eventually accepted as custom; both, however, are a result of initial power asymmetries between the employer and employee.

Arguing that employers, should they have sufficient power to do so, collectively impose low wages that require service-employees to seek tips from customers suggests that they derive some benefit from doing so. The obvious benefit might appear to be a reduction in wage costs. In the near perfectly competitive markets in which many US businesses such as restaurants and bars

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10 The United States Department of Labor (Elaws – Fair Labor Standards Act Advisor) states, “[a]n employer of a tipped employee is only required to pay $2.13 an hour in direct wages if that amount plus the tips received equals at least the federal minimum wage, the employee retains all tips and the employee customarily and regularly receives more than $30 a month in tips. If an employee’s tips combined with the employer’s direct wages of at least $2.13 an hour do not equal the federal minimum hourly wage, the employer must make up the difference.” See www.dol.gov/elaws/faq/esa/flsa/002.htm, Accessed 28 July 2011.
operate, however, cost savings are largely offset by price reductions.\footnote{Further, the increase in demand that usually accompanies price reductions is offset by the requirement to tip.} Also, as discussed in chapter 1, any suggestion that employers benefit from reduced service-employee monitoring costs due to a tipping system is untenable, as tips are largely unresponsive to service quality. Where, then, is the benefit to the employer? I argue that the benefit is a reduction in their exposure to the possibility of lower than expected patronage. A tipping system, with its low employee wages, means the employer reduces the cost of having to pay idle employees, should fewer than expected customers frequent the business. It is not that the cost of this risk eventuating disappears under a tipping system but, rather, that it is transferred to the employee, whose tip-income falls with fewer customers. In contrast, under a fixed wage system the employer carries this risk, as they must pay employees for their time regardless of customer turnover.

In some ways a tipping system is akin to that of profit-sharing schemes, which some corporations offer their employees (FitzRoy and Kraft, 1986). Just as these employees receive a higher income if profits increase, tipped service-employees typically receive more tip-income with increased levels of customers. However, a decrease in customer levels results in the loss of expected tip-income, the consequences of which may be considerable for the service-employee. As tipped service-employees in the US tend to be paid below minimum wage they are unlikely to be in a position to weather downturns in trade. Furthermore, there does not appear to be any significant upside risk for tipped employees, as there is for employees involved in profit-sharing schemes. Segrave cites many examples in which, if service-employees found themselves receiving significant tips, employers would make arrangements to extract those tips from them. These arrangements have taken many forms, from reducing wages to forcing employees to hand over their tips at the end of each shift (see Ginsberg, 2001: 27; Segrave, 2009). Therefore a tipped employee risks the negative consequences of a downturn in customers, with no real opportunity for sustained upside-risk. This arrangement does not seem worthwhile from a service-employee’s point of view. Yet it is a risk that millions of US service-employees take every day and have been doing since the late-nineteenth century.
Australian service-employees have not taken on this type of risk. The high bargaining power of Australian wage-labour in a society where the government was expected to reduce uncertainty and protect against individual hardship meant that Australian employers were never able to devolve to service-employees the type of risk that US employers have become accustomed to devolving for more than a century.

Holland (2009: see discussion in chapter 1) also links risk to tipping, but my description of employers shifting risk to employees is distinct from Holland’s explanation of tipping as based on ‘risk sharing.’ Holland suggests that tipping is the result of a risk sharing arrangement between customers and service-employees, whereby the former tips according to service quality (instead of paying a fixed amount) and the latter takes on additional risk for the opportunity of a higher income. Thus, Holland’s explanation is characterised by a freely arranged agreement between the customer and employee, so each can maximise their utility. In contrast, my concern is not with the risk of a customer having to pay for bad service, but the risk of the business having fewer than expected customers. Employers transfer that risk onto employees to the extent their power allows. Holland tries to explain why people tip in terms of a free agreement between a customer and a service-employee that the tip will reflect service quality. In contrast, I argue that tipping is a consequence of employers imposing the risk of low custom onto service-employees, enabled by a power asymmetry between the two. My argument in this chapter does not comprise an explanation of why people tip; rather, it identifies the conditions under which tipping became customary in the US and not Australia.

**Cultures Collide: America Reintroduces Tipping to Australia**

Throughout the first half of the twentieth century, Australia retained its non-tipping culture, while tipping became more entrenched and widespread throughout American society. This maintenance of difference in tipping practices reflected ongoing differences in the political structure and power of wage-labour during this time. But there was another difference between the two nations that was exposed by World War Two, a difference that caused people from those nations to come into direct contact and at the same time tested Australia’s
apparent immunity to tipping. Australia’s geographic position left it open to military invasion, particularly given its small population and resource limitations. This vulnerability was highlighted during World War Two as Britain, on whom Australia was largely still dependent for defence matters, was otherwise engaged with Germany. The US on the other hand, with its large population and industrial strength, was in a much better position militarily and strategically than Australia. Once Japan attacked Pearl Harbor, US and Australian strategic interests as Pacific nations aligned. This paved the way for the US protection of Australia (McLean, 2006), which would see approximately one million American troops come to Australia during 1941-45 (Potts and Potts, 1985: 29). With American personnel came American culture, part of which was tipping.

US troops began arriving in Australia in December 1941. Within six months, there were nearly 100,000 US soldiers in Australia (Moore, 1981), which rose to over 500,000 by May 1944. There are many reports of Australian’s jubilation and appreciation for the American presence during such a time of fear and uncertainty. Moore (1981: 69) writes that upon public announcement of American soldiers coming to Australia, “all segments of Australian life—press, radio, politicians, rank-and-file citizens—demonstrated their enthusiastic approval and great sense of relief.” However, from under this blanket of US protection, there was still a great sense of trepidation among some, arguably more conservative and pro-British, members of Australian society. Crawford (2010: 318) notes that Australians may have felt considerable affinity with the US, which assisted in accepting their military assistance, but “were under no illusions that they were different—racially and culturally.” Some Australians were concerned that an American presence might rupture Australian ‘Britishness,’ with such fear being the basis of several trade restrictions on US imports in the preceding decades (Crawford, 2010; White, 1983). This fear may also have derived from Australians being uncertain about themselves, their own identity and their place in the world; Bell and Bell (2010: 286) note, “Australia clung politically, economically and militarily to mother England while

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12 This figure includes Americans in Australia and New Guinea. See Potts and Potts (1985: 29).
proclaiming its new status as an independent dominion,” whilst at the same time realising it needed a strong ally close by. Nevertheless, there are reports of many Australians overcoming such anxieties and accommodating US troops to make them “feel as though they were in their second home” (Potts and Potts, 1985: 175).

Still, there was a discourse of difference between Australians and Americans from the beginning of their military alliance, effectively reinforcing common preconceptions of both groups. American troops were issued a booklet by the US War and Navy Departments entitled *A Pocket Guide to Australia*, designed to educate American service personnel not only about Australian history and geography, but also Australian slang, attitudes and beliefs. 13 Although the intention was to create mutual understanding and harmony between the two groups, it effectively helped turn Australians into a distinct and categorisable ‘other,’ enabling the visiting American to say ‘all Australians are like this.’ This worked both ways. Australians were not given a handbook, but “[o]fficial publications, news stories, books, and talks” (Potts and Potts, 1985: 37) informed the Australian public of America and Americans. As well intended and effective as such communications may have been, they seemed to also perpetuate an assumption probably held by many Australians that there were fundamental differences between themselves and Americans. This fostered the ability for Australian people to see Americans as a homogeneous other.

This platform of difference was strengthened when the two groups came into contact. Australians immediately noticed the superior resources held by American service personnel. American troops received more rations, had better accommodation, were paid more, and had better uniforms than Australian troops (see Potts and Potts, 1985: 15, 256, 283-284). These differences in resources were then translated as differences between the people themselves. This occurred on both sides. One American soldier, for example, was reported to be dumbfounded at how Australians could be satisfied with such meagre material possessions and there were reports of the American service personnel criticising, what they perceived as, Australian’s lacklustre work ethic (Potts and

13 Incidentally, the booklet did not contain any reference to tipping customs.
Few Australians would have appreciated such attitudes yet, under the threat of invasion, many felt it necessary to muffle their resentment towards American troops. One Townsville City Councillor, Tom Aikens, described the Australian feelings of quiet resentment, beneath a banner of gratitude, towards Americans as “jealousy with a halo” (see Moore, 1981: 191).

As the American presence in Australia wore on, these quiet feelings of resentment grew. Soon after American troops arrived, there were signs—for example, the Japanese defeat in the Battle of the Coral Sea in May 1942—that an invasion was becoming less likely. There were also various reports of misbehaviour by American soldiers (see, for examples, Moore, 1981). This reduction in perceived threat, combined with the shine wearing off the American soldier, led to various anti-American campaigns whether at a private level within letters between individuals or in more public media reports. With assertions in newspapers of America's negative influence on Australia and its “way of life,” (White, 1979) a rhetoric employed by concerned commentators for decades was rejuvenated (see Emmison, 1997; Moore, 1981; White, 1983). Even though “the actual presence of the Americans during the war had little influence on Australian popular culture” (White, 1983: 118) these reports provided ammunition to fight the battle for resources that was developing in Australia. With scarcity common, the American’s higher rates of pay enabled them to price many Australians out of the market for products including food, milk, alcohol and cigarettes (Potts and Potts, 1985: 242, 245, 262, 304). The competition for basic staples, along with life's luxuries, was fierce, and the battle lines were drawn between the pre-defined categories of ‘Australians’ and ‘Americans.’

Furthermore, from the Australian male’s point of view, Americans were winning the competition for women. Admiral Lockwood, in July 1942, described the tension between American and Australian soldiers as a result of “higher pay and stealing of girls” (quoted in Potts and Potts, 1985: 314). The American serviceman’s higher wages and capacity to entertain, in conjunction with a Hollywood-generated mystique, placed the Australian male at a considerable disadvantage. In response to this, commentators began questioning the virtues of
women who spent time with American servicemen (Potts and Potts, 1985: 295, 319-323) and branding certain activities—one of which was tipping—as ‘American.’ The original Australian image of the American as a compassionate and competent saviour faded over time and was replaced with a more negative image. Spurred on by certain events, such as the Battle of Brisbane (see Thompson and Macklin, 2000), Americans were increasingly denounced as unsavoury and Australians became more “inclined to take their frustration out on the nearest American” (Potts and Potts, 1985: 315). Given this, it is perhaps not surprising that certain behaviours considered to be ‘American,’ such as tipping, also became ‘un-Australian.’

Not all Australians developed an anti-American sentiment, of course. Some women continued to see American servicemen; approximately 12,000 women left for the US with their American husbands after the war (Potts and Potts, 1985: 362). Similarly, despite the practice being branded as American and inappropriate, people who worked in service industries still accepted tips from Americans and reportedly gave them preferential service. The Courier-Mail (23 March 1944: 3) reported that,

“...in cafes in Townsville Allied soldiers formed a very large proportion of the customers and it was common knowledge that some female waitresses were making £10 a week in tips. ‘Why, I have seen American soldiers leave more money as a tip than they paid for their meal. In one case I saw an American put a ten shilling note under the plate,’ [Mr Coneybeer] said. An unfortunate reflex of this practice is that Australian soldiers and civilians (with civilians the lowest priority) are not attended to with any despatch’.”

Potts and Potts (1985: 228) concur, “[a]lthough tipping was considered un-Australian, few Australians lived up to their principles by refusing to accept gratuities.”

As Australian wages were not designed with an expectation that tips would bring them to some minimum standard tips would have been experienced by Australian service-employees as a useful bonus. Furthermore, regulations and

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14 Australia converted to decimal currency in 1966.
a labour shortage meant tips could not put downward pressure on service-
employee wages. But there was another difference between the two contexts;
tipping in Australia was not a sustainable practice because only Americans
tipped. The practice was reliant upon the American presence and when the
Americans departed Australia there was no one left to tip (see The Morning
Bulletin 12 May 1944: 8). Tips in Australia remained a surprise for the service-
employee, unlike tips in nineteenth century America or vails in sixteenth century
England where they had become expected and demanded. In Australia, not
tipping became a symbol with which to mark one’s sense of identity as
Australian. In The Sydney Morning Herald (17 February 1947: 2) one service-
employee noted that in 25 years he has “never accepted or been offered a tip”
and is paid adequately due to the fixed wages set by the “Arbitration Court.”

The service-employee added, “[i]t will be a sad day when we have to depend on
the big-heartedness” of those they serve. This notion of the non-tipping
Australian may have been a small part of a larger strategy for securing scarce
resources and to prevent American service personnel excluding Australians from
participation in social life, but it was not forgotten after the war ended.

Nevertheless, following World War Two, the United States and Australia
have developed a close alliance on many fronts. Dibb (2005) argues the
relationship, as it stands currently, is not based on national strategy alone but
also upon shared value systems and a history of cooperation. Indeed, the two
countries have entered into treaties together, have fought wars alongside each
other, and trade between the two nations has significantly increased (see Bell
and Bell, 1995; McLean, 2006; White, 1983). Bell and Bell (2010: 287) suggest
that the Australian-US partnership during World War Two was more a
continuation of a growing relationship rather than a decisive turning point, but
also recognise that for some Australians it represents “a lasting ‘special

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15 The importance of Australia’s arbitration courts is discussed in chapter 4.
16 For example, the Australia - United States Free Trade Agreement (AUSFTA) signed in 2004.
17 Such as The Korean War (1950-53), The Vietnam War (1955-75), and most recently the wars in Afghanistan and Iraq.
relationship’ between the two nations.” This increased intermingling of the political and economic interests of the two countries has led to the re-emergence of some Australians lamenting the ‘Americanisation’ of Australia, due to America’s dominant position in the relationship (Emmison, 1997; White, 1980). The muffled (and sometimes not so muffled) anti-Americanism that existed during World War Two may have changed shape over the last six decades—less than one-third of people who participated in a 1958 Gallup Poll suggested Australia was “too Americanised” (White, 1983: 119)—but does not seem to have disappeared. Australian parochialism has changed also, becoming more accepting of foreign cultures including that of Americans. But a legacy that remains is the common assertion that Australians do not tip, as standard practice at least. Rather, they pay higher prices that afford service-employees higher fixed wages.

**Future Directions**

Tipping is not customary in Australia today, it seems, for two reasons. First, since the late-nineteenth century, the collective power of wage-labour has prevented employers shifting risk onto their employees, which has resulted in employee wages being high by international standards. In turn, service-employees have not needed to rely on tips from customers, and thus have not been motivated to expect, or demand, them. This logic also explains the rapid uptake of tipping within America from its introduction in the late-nineteenth century. Despite being a practice that was at odds with value systems held by many, tipping pervasiveness grew due to employers’ collective ability to shift the risk of low custom onto service-employees, with the latter subsequently becoming reliant on receiving tips in order to survive. This cultivated propensity for Americans to tip was something military personal brought with them when they were stationed overseas. This leads to the second reason tipping is not customarily practiced in Australia—with the American presence in Australia during World War Two, the practice of *not tipping* solidified as part of the Australian identity. The anti-American sentiment cultivated (or, indeed, revived) during 1941-45 has contributed to a legacy of perceived difference between Australians and Americans. From the point of view of many Australians, part of this difference is
that Americans tip and Australians do not. Together with the perception that Australian service-employees do not need tips, this has ensured that not tipping has remained part of Australian culture.

However, people like Luke, the Frank's bartender with whose views this chapter opened, might argue that things are changing. Luke is starting to develop an expectation of being tipped. This shift in the thinking of at least one Australian service-employee is a challenge to Australia’s national identity and is a result of the changing structure of workplace relations. Australian government policies since the 1980s have created a social structure much more conducive to tipping than it has been previously. One main change was the replacement in 1991 of Australia’s centralised system of wage fixation, called The Prices and Incomes Accord, with enterprise bargaining, a shift later followed by the introduction of individual workplace contracts. In addition, the government introduced a range of microeconomic reforms and tariff reductions, which exposed Australian businesses to increasing competition and a reduction in monopolistic profits (see Bailey et al., 2011; Fairbrother et al., 1997; McCallum, 2002). In response to this, businesses have adopted stronger anti-union tactics in an attempt to reduce the costs of employment (Leigh, 2005). Furthermore, in the early 1990s, a number of state governments banned compulsory unionisation, which resulted in many employees opting against union membership. This was coupled with a rise in the number of part-time and casual employees, who are typically less inclined to join a union (Deery and De Cieri, 1991). These structural and policy changes made the labour market more responsive to prevailing market conditions, but they have also reduced the collective bargaining power of wage-labour. This collective power is the main source of protection that service-employees have against being forced to carry a risk long held by their employers. The loss of that protection may compel an increasing employee reliance on tips.

The effect of these structural and policy changes on the collective power of wage-labour has been significant. The percentage of employees in unions,

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which “captures a major aspect of union bargaining power” (Visser, 2006: 45) has fallen from 50.2 per cent in 1970 to 22.9 per cent in 2003. This reduction in the power of unions is also evidenced by how rare strikes have become. The number of days lost to industrial disputes is approximately 25 per cent of what it was in the 1980s (Leigh, 2005). This indicates a shift in power towards employers in their dealings with wage-labour, such that they are approaching the position of their US counterparts. As yet, however, relations are not as asymmetrical as in the US. Rates of union membership are still much higher than in the US (Visser, 2006) and Australia’s higher minimum wages cannot be reduced for employees in tipped professions, unlike in the US. Nevertheless, the relative power shift in Australia is still significant, leading one economist to suggest that “Australia’s labour markets today are closer to the textbook models of competitive markets than they were in the 1970s” (Leigh, 2005: 21). In other words, Australia’s labour market has been moving toward the model long employed in the US. These factors make Luke’s attitude towards tips more understandable.

It remains the case, however, that Luke’s developing expectation sits at odds with Australia’s non-tipping culture. So far, it seems that this association of non-tipping with national identity has prevented the widespread adoption of tipping, despite Australian labour relations becoming increasingly free-market based. That resistance, however, undoubtedly has been helped by the enduring power of Australian wage-labour and the continuing involvement of the Australian Government in mediating labour-relations. If labour-relations continue on the path towards a US type system, however, will national identity be enough to stop tipping becoming customary in Australia? The short answer appears to be no. As discussed, in 1891, it was predicted in the US that tipping “will remain a minor and rather harmless social abnormality” (Franklin and Royce, 1891: 498) on the basis that tipping was “un-American.” Organisations were formed, such as The Anti-Tipping Society of America, in 1904 (Segrave, 2009: 29), designed to rid the US of tipping. Other organisations, such as The Young Men’s Christian Association in Chicago, also developed policies prohibiting tipping (Scott, 1916: 32). Yet tipping grew in prevalence, because the structure of
US society enabled it, perhaps even required it. A non-tipping identity will not forever immunise Australia from developing a tipping culture. In the absence of an alternative solution, Australia’s non-tipping culture is likely to increasingly give way to the realities of labour market power relations.

**Closing Remarks**

Perhaps Luke represents Australia’s future and the couple he served at the vodka bar represent Australia’s past. Luke is a non-union, minimum wage, casual employee, along with increasing numbers of Australians. He is likely to have been subjected to the uncertainties of the free-market and is seeking compensation via tips. Those customers who Luke serves may focus on the power Australian wage-labour has maintained since the nineteenth century, which has resulted in a relatively high minimum wage by international standards. They can afford to strengthen this position by falling back on part of the national identity constructed, in part, in the 1940s. Luke and his patrons may be unaware of the centuries of history that feed into their interactions, but it is a history that spans three continents, wars, politics, labour movements and constructions of national identity. Whether people like Luke start receiving more tips in the future may be curtailed, in the short run, by people’s ability to appeal to Australia’s national identity as a country of non-tippers, which may well depend on the continuing salience of the US as ‘other,’ a product of international relations. In the long run, however, it will depend on the structure of Australian society, the power dynamics between employers and employees, and how future state and national governments remain involved in labour-relations. The focus of the next chapter is how American and Australian government involvement in the labour market relates to the way customers, service-employees, and employers interact.
Chapter 4: Wages, Tipping, and Labour Market Regulation

In this chapter\(^1\) I consider how the different power asymmetries in the American and Australian labour markets played out in terms of regulatory frameworks. This affords greater consideration of how employers, service-employees and customers work within those frameworks, and the extent to which they work around them, in their dealings with each other. The structural conditions in Australia led to considerable labour market regulation, resulting in much of the exchanges between employers and employees to be determined by government authorities. In other words, regulation has ensured highly formalised exchange. In contrast, relatively minimal regulation has been implemented in the US labour market, consistent with the pervasiveness of tipping. Consequently, people are left to interact and exchange informally—that is, without legal protection. Wages and tips, then, are not merely substitutable forms of service-employee income but operate within different regulatory frameworks and modes of exchange between employers, service-employees and customers. This chapter is consistent with Hann and Hart’s (2011: 147) suggestion that there exist different types of capitalism, which they assert “is always modified by the specific conditions in which it grows.”

Before I had found Freddy’s but while I was in Brooklyn searching for a bar to compare to Frank’s, I had dinner with Melissa, someone I had met during the search. We sat at the restaurant’s bar because Melissa knew the bartender, Sarah. When our bill arrived, totalling $35.15, I asked Melissa “how much should we tip?” Melissa tested me by replying, “well, you tell me.” “Twenty per cent,” I answered, keen to demonstrate I was learning how things were done in New York. “That’s standard, yes,” she conceded, so I elaborated on my answer by saying, “on 35 that’s 7. So, 42 total.” Then Melissa said, “look at the bill for a second. My drinks aren’t on there.” She was right. My drinks were not listed either, meaning the bill should have been $55, approximately. “We should tell her,” I said, referring to Sarah. Melissa promptly placed her hand over the bill

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\(^1\) Substantial sections from this chapter are included in a manuscript that I have titled *Formal Structures, Informal Activities*, which is under review at *Work, Employment & Society.*
and stated, “no. Think about it.” I thought Sarah should know the drinks needed to be added to the bill but I replied with silence. “We’re paying $50,” Melissa said, adding, “you have a lot to learn.” By the end of my fieldwork I realised that this arrangement between service-employees and customers, exchanging lower prices for higher tips, is common in Brooklyn restaurants and bars. These arrangements went unspoken but seemed dependent upon the strength of the relationship between those involved.

I observed no such arrangements during fieldwork in Melbourne, Australia. Service-employees levied a pre-nominated price for each item a customer consumed, regardless of if they knew the customer or whether the customer had a reputation for tipping. As discussed in chapter 3, tips were rare at Frank’s, which did not concern the bartenders there who derived their income from wages paid by the bar’s owners. Tipping was particularly rare from patrons who were friends with the bartenders. One bartender, Larissa, even stated it would be “just silly” for her friends to tip her. Larissa also thought it inappropriate to give her friends free drinks, suggesting that would be unfair to her employers. At Frank’s, consistent with my observations of other Melbourne bars and restaurants, all exchanges were explicit and agreed to before taking place. This included exchanges between customers and service-employees but also extended to exchanges between service-employees and employers. Service-employee income was set by the wage rate, just as the cost of a patron’s consumption was set by prices. Consequently, there was little incentive or scope for informal exchange.

In chapter 3, I argued a key factor between the different propensities for Australians and Americans to practice tipping is labour market power relations; since the nineteenth century, Australian wage labourers held sufficient power in relation to their employers to prevent them from reducing wages to levels that effectively required service-employees to seek tips. In contrast, US employers were able to pay a lower wage rate, which set off a process of service-employees becoming increasingly reliant on tip-income throughout the twentieth century. However, that explanation does not fully account for the above descriptions. It seems that substituting wages for tips is more than a shift in the source of
service-employee income. Income from tips is part of an informal exchange between service-employees and customers that appears to be associated with other informal practices. This differs from the formal systems of exchange I observed in Melbourne, based on fixed wages and set prices. These different systems of exchange indicate a certain degree of power asymmetry may require tipping but it is informality that enables tipping to take place. I develop this argument with reference to the informal economy literature. Since Hart (1973) developed the term to describe his observations of those excluded from ‘formal’ employment opportunities, researchers have relied upon the idea to describe numerous activities that are beyond government control and observation. I explain why informal activity exists in Brooklyn but not Melbourne by considering how exchange in the Brooklyn and Melbourne hospitality sectors relates to government regulation.

In the following section of this chapter, I discuss how the term 'Informal Economy' is conceptualised in the literature and applied by researchers. Informal activity is characterised as that which is undertaken outside government regulation, leaving formal activities to be those that occur within the ambit of regulatory control and protection. It is important to note at the outset, however, that ‘formality’ is not synonymous with ‘regulation.’ Formality requires regulation but a given sphere of activity may be completely formalised—that is, undertaken completely within the scope of government—but also be lightly regulated. On the other hand, activity may be heavily regulated but also largely informal, if it is able to avoid such regulations. Nevertheless, regulation may indicate, and indeed affords, the formalisation of activity. Researchers of informal activity tend to focus on those considered marginalised by government and neglect the significance of the regulation itself, particularly in relation to its evolution and a government’s capacity to impose ‘form.’ But this focus does not preclude research efforts that apply the concept of Informal Economy to everyday practices and the placement of greater emphasis on how ‘formality’ develops in relation to informal activity. To that end, I focus on the concepts within the informal economy literature by comparing the labour and income sources of Australian and US service-employees.
The third and fourth sections of this chapter tell histories of how Australian and US governments have attempted to formalise service-employees’ income. Such income has two sources—wages from employers and tips from customers. Wages, and commensurate labour, constitute part of the ‘formal economy’ as they fall within the ambit of government law and regulation. On the other hand, tip-income and the activities with which it is associated are part of the ‘informal economy.’ Tips are not legally enforceable, do not attract any legal protections, and are largely beyond the purview of government authorities (see Anderson and Bodvarsson, 2005; Wessels, 1997). Both US and Australian service-employees derive income from wages and tips, thus it may be said that both groups operate within both the formal and informal sectors. However, given that US service-employees receive the majority of their income from tips and Australian service-employees acquire their income almost entirely from wages, it seems more appropriate to think of the two groups deriving income from within the informal and formal sectors respectively. Yet, despite operating in different realms today, these different modes of income generation extend back to similar beginnings. As discussed in chapter 3, tipping in both countries was non-existent throughout much of the nineteenth century, with service-employees deriving income from (formal) wages. Only with the introduction of tipping to both countries in the late-nineteenth century did service-employees acquire an additional, informal, income source, putting downward pressure on their formally acquired wages (see Wessels, 1993).

Both governments responded by seeking to impose form on this new income stream, via various laws and regulations, consistent with an assumption often found in the informal economy literature. Australian governments succeeded by increasing minimum wages, thereby formally placing the responsibility of employee income provision onto employers. The authority to do this emanated from the strong sense of class solidarity that existed during the late-nineteenth century (Macarthy, 1967). The union movement that emerged through that period accorded the Australian Government the moral authority to regulate the exchange of labour for income. This exchange became comprehensively formalised as a result, leaving no moral place for informality,
such as tipping. In contrast, US governments faced difficulties imposing minimum wage legislation, as it was governing a citizenry who valorised intense individualism (see Henrich et al., 2010; Karjanen, 2012; Marshall, 1925). Attempts to indirectly formalise income by criminalising tipping proved ineffective and, consequently, the informal component of income generation for service-employees flourished. US governments have subsequently accommodated this informality via presumptive taxation methods; but this does not equate to formalising service-employees’ income and labour, which remain within the informal sector. The comparative history I outline demonstrates that even if governments desire to formalise informal activity through regulation their ability to do so relies upon the moral authority granted by its citizenry. The relative success of the imposition of government form in each country is consistent with the modes of exchange between service-employees and customers, examples of which I gave at the outset of this chapter.

**Informal Economy Literature**

Two definitions of Informal Economy have gained traction in the literature. The first, that of Feige (1990: 990), regards actions as part of the informal sector when they “fail to adhere to the established rules, or are denied their protection.” The second, that of Castelles and Portes (1989), defines the informal economy as comprising “all income earning activities that are not regulated by the state in social environments where similar activities are regulated” (quoted in Portes, 1994: 427). These definitions distinguish informal activity from inherently illegal activity but otherwise are constructed negatively, referring to “what people are not doing” (Hart, 2000b: 156, emphasis added). Hart (2007a: 94) notes that the concept of Informal Economy highlights activities that are not regulated by law and bureaucracy but does not offer much about what they are. The literature does provide clues, however, about what informal activity entails, including the “evasion of the bureaucratic rules” (Hart, 1992: 217, emphasis added) and the development of relationships and trust between participants (since informal agreements can not be enforced by authorities) (Hart, 2000a). Still, having Informal Economy defined by these characteristics encompasses a diverse range of activity. Within this considerable breadth, I focus on tip income as informal
activity on the basis it is “not recorded, [and] only imperfectly reflected, in official national accounting systems” (McCrohan et al., 1991: 23).

The term Informal Economy tends to be applied to practices of the vulnerable, particularly those living within developing countries (Portes and Sassen-Koob, 1987). Hart (1992) argues that this is probably due to the concept originating from his description of the activities of Ghana’s low-income earners, resulting in developing economies remaining “its principle referent since” (1992: 218). Indeed, the term is often applied specifically in relation to the “Third World” (Lomnitz, 1988: 42). This association is so strong that informal activity in developed nations is sometimes thought to be imported from developing nations (see Eriksen, 2005; Portes and Sassen-Koob, 1987). Despite increasing recognition that informal activity occurs within industrialised societies (see Gershuny, 1979), and is something of a “global” (Leonard, 2000: 1069), even “universal” (Hart, 2000b: 146), phenomenon that can be found “regardless of economic system or level of development” (McCrohan et al., 1991: 26), there is still a presumption that such activity is restricted to the “peripheries of society” (Donaghy, 2002: 273), the “downtrodden” (Parry, 2005: 144), or a fall back for the desperate (see Patterson, 2005). The breadth of the definition of Informal Economy, however, means that it can equally be applied to the ‘everyday’ in industrial society, such as exchange in the hospitality industry.

Due to the historical legacy of the idea there seems to be an implicit assumption within the literature that poverty is a necessary and sufficient condition for the emergence of informal activity. Consequently, beyond noting the “established institutional rules” (Feige, 1990: 990) that informal activity neglects or evades, there is little attention paid to the conditions required for its emergence. Lomnitz (1988: 54) exemplifies this approach by positioning “informality as a palliative to scarcity,” implying that informality will emerge whenever there are unfulfilled needs. However, scarcity is not always sufficient for informal activity to occur. Portes (1994) compares responses to economic downturns in the US and UK; many people in the US developed informal networks but those in the UK tended to rely on ‘formal’ mechanisms, such as part-time employment and government sponsored social security. Further,
Donaghy’s (2002) study of offshore financial centres suggests that scarcity is not even necessary for informal activity to emerge. Authors do occasionally refer to factors that provide the means to act informally. For example, both Gershuny (1979) and Hart (1986) identify cash money as important for informal activity to be able to avoid detection. Furthermore, Portes (1994) suggests informal activities require strong community networks, which enable trust between participants. With these few exceptions, however, the general assumption that poverty is necessary and sufficient for informal activity continues to dominate the literature. The strength of this problematic assumption has undermined the search for other factors relevant to its emergence.

Much attention has been given to the relationship between the informal and formal sectors. The growing consensus is that positing a sharp distinction between informal and formal domains is problematic given their interrelatedness (see Morales, 1997; Tokman, 1978), and the consequent “inherent fuzziness” of the boundaries between them (Donaghy, 2002: 5). Paradoxically, given that informal activity was ‘discovered’ in the 1970s as an exception to supposedly obvious ‘formal’ activity, increasing recognition of the inextricable relationship between the sectors has led researchers to question the existence of formality, at least in any absolute sense. Elyachar (2003) shows that the government—the source of formality—is unable to be located outside of informal practice perhaps because, as Giddens (1994) notes, rules and regulations are always supported by “informal understandings and customs” (quoted in Donaghy, 2002: 283). Lomnitz (1988) takes this insight a step further, suggesting that informality is pervasive throughout the formal sector. Nevertheless, researchers still speak of the formal-informal distinction—presumably because it acts as a useful analytical tool, even if the concepts are abstractions from opposite ends of a continuum of activity.

With this increasing acceptance of the interconnectedness between the ‘formal’ and ‘informal,’ informal activity has become widely regarded as responsive to changes in government form. Where authors seem to disagree is whether the formal and informal sectors “move in parallel...[or] vary inversely” (Hart, 1973: 84). Some authors consider that increased regulation generates
increased informal activity, even if only because it establishes more rules to evade. For example, Stark (1989) suggests a positive relationship between the two sectors because informal activity is motivated by people’s desire for freedom from the confines of increasing bureaucratisation. Brusco (1982), in a study of the manufacturing sector, suggests increased informality results from employers seeking to avoid what they perceive as cumbersome rules. In contrast, Portes and Sassen-Koob (1987: 52) propose an inverse relationship, noting certain “processes of production that cannot be easily decentralised, regardless of the wishes of management” who will comply with regulations and thus reduce informal activity. Despite disagreement about the relationship, these authors describe a system in which formal and informal activities are mutually constitutive with the former, providing the context to which the latter speedily adjusts. The evidence demonstrates the adaptability of informal activity, which makes it a worthwhile focus of research albeit difficult to analyse historically (since such activity is often unrecorded).

Formality, however (or, at least, its representations, such as laws and regulations), is relatively easy to keep track of. Laws and regulations are recorded, stored and accessible, even after they are replaced. However, unlike informal activity, government form is not typically presented as adaptive but, rather, as on a predictable path of ever increasing scope, range and depth, displacing informality in the process of continuous expansion. It is with good reason that researchers take this process regarding the formal sector as given. Elyachar (2003: 595), referring to Foucault, states, “[t]he modern state imposes power...through the gaze that sees.” Hence governments continuously create forms that enable it to increasingly ‘see,’ and control, the society it governs. For example, governments may impose ever-increasing form as informality is a risk to taxation revenues (Mayer, 2005). Narotzky (2005) is more charitable, suggesting regulations are developed to overcome a distribution bias inherent in informal activity; unlike distribution based on bureaucratic rules, informal activity is based on relationships, which can lead to people having
disproportionate access to resources. Thus, the literature presents several convincing reasons for the typical assumption that governments desire to increase form. These reasons make formality appear easily understood, which is perhaps why analysis regarding its evolution tends to be neglected.

The tacit acceptance by researchers that governments increasingly impose form implies that government’s capacity to do so is unbounded, except in as much as informal activity can evade the imposition of rules. My brief comparison of behaviours in the US and Australian hospitality sectors suggests assuming the limitless growth potential of government form is problematic. Both the US and Australia have similar democratic governance structures, whereby exchange is coordinated by the free-market but within regulatory constraints and with regulatory support. In terms of technical, or administrative, capacity, it seems reasonable to assume that both governments have comparable abilities to impose governance. Yet, as is demonstrated by American service-employees’ reliance on tipping, only the Australian government has formalised the exchange of service-employees’ labour for income. Why has the US government not brought these exchanges within the realm of formality, as it is technically capable of doing, as has been done in Australia, and as the literature might lead one to assume it would have? This question undermines any suggestion that governments always develop formality to displace informal activity.

I propose the level of informality in the US economy is due to the US Government’s lack of moral authority to impose the regulations required to create the form in which US service-employees could operate within. Both the US and Australian governments sought to impose formal control over service-employee’s income throughout the twentieth century, but only the Australian government was successful. As I will argue in the following two sections, a particularly Australian brand of egalitarianism propelled their government to formalise the exchange of labour for income to secure its standardisation, whereas the American sense of individualism constrained the analogous efforts of the US government. This suggests that government’s capacity to impose form

\[\text{2} \text{ However, formality tends to create a different kind of unequal access, which can leave people without sufficient access to resources. This was the reason Hart (1973) was able to witness such high levels of informal activity in the first place.}\]
is a matter not just of technical capability but also of moral authority accorded by those it governs. Consequently, the income generation activities of service-employees differ considerably between the two nations. Rather than explaining the activities of US service-employees by how they evade bureaucratic rules, as seems to be the usual approach within the literature regarding informal activity, I analyse the rules themselves by considering how they developed throughout the twentieth century. In light of the Australian case, where regulations acquired a distinct shape and service-sector activities were conducted ‘formally,’ it becomes apparent that it was not US governments’ lack of wont but their lack of moral authority that constrained efforts to formalise service sector activities. Through this process, this chapter demonstrates the ways in which Australia and the US represent different contexts in which exchange between customers and service-employees takes place.

**Formalising Australian Service-Employee Income**

Australia set course towards the complete formalisation of income with the 1890s depression. The preceding decade saw Australian unionism expand beyond skilled tradesmen and take hold among unskilled workers, who relied “almost exclusively on [widespread] industrial action to improve wages” (Markey, 1985: 15). These tactics were ineffectual during the depression, however, with unemployment above 30 per cent (Markey, 1985). In addition to this, unions were operating in a hostile environment due to the combined actions of employers and state governments, and subsequently lost momentum (Bray and Rouillard, 1996; Ellem and Franks, 2008; Markey, 1985). This led to a shift in the union movement’s strategy, moving away from wide ranging strike action directed at particular employers “to a commitment to state sanctioned arbitration” (Ellem and Franks, 2008: 50). Unions became involved in politics, rather than negotiating with employers alone, in order to secure higher wages (Macarthy, 1967). In this process the Labor Party was born and “achieved remarkable electoral success” (Bray and Rouillard, 1996: 205). With significant political presence, unions ensured government intervention in industrial disputes through compulsory arbitration and conciliation.
In Australia, then, from the late-nineteenth century, government bodies have settled industrial disputes and determined wage levels. These bodies were courts\(^3\) that could “impose…a settlement on the parties” (Issac and McCallum, 1987, quoted in McCallum, 2002: 229). The Federal industrial relations court, the Australian Court of Conciliation and Arbitration (ACCA), became the main source of precedent for state courts, which all had their own jurisdictions. These courts enshrined unions in the Australian political landscape, “cement[ing unions] within the labour market and society in general” (Iacovetta et al., 1996: 114). Only unions had access to these courts, not individual employees, with the latter “made to conform” to the arrangements between unions and employers (Ross, 1945: 22). As for employers, they could not ignore unions as they had done in the 1890s, as unions could obtain a court-ordered settlement that would bind employers if direct agreement could not be reached (McCallum, 2002). That said, this binding authority worked in both directions. Higgins (1916), then President of the ACCA, stated that even though employers initially resented government interference they did enjoy the courts’ capacity to prevent or allay strike action. Through this process, the government gained credibility in becoming involved in what was previously only a matter for employers and employees.

Legislators gave these courts guiding principles to resolve disputes and set wages but left much to the discretion of the courts themselves. For example, the Federal Government tasked the ACCA with determining that wages be “fair and reasonable” (Hammond, 1913: 264) but gave no indication as to how such a phrase was to be applied. Nevertheless, “judicial opinion...tended in the direction of fixing the minimum wage on the basis of the needs of the worker” (Hammond, 1913: 265, emphasis added). This tendency culminated in a landmark decision in the *Harvester case* (1907),\(^4\) in which the ACCA asserted:

> “If Parliament meant that the conditions shall be such as they can get by individual bargaining...there would have been no need for this provision. ...The standard of “fair and reasonable,” must, therefore, be something else; and I

\(^3\)Ross (1945) points out that these institutions were not courts in a traditional sense. Courts make judgments that pertain to a previous event. These ‘courts’ determine ‘awards’ that bind the parties to future behaviours and are thus more legislative in nature. Nevertheless, they operated as courts and the binding power of awards gave their decisions authority.

\(^4\) *Ex parte H.V. McKay* (1907) 2 CAR 1, 8 November 1907.
cannot think of any other standard more appropriate than the normal needs of the average employee, regarded as a human being living in a civilized community.”

This decision resulted in a general increase in the income of minimum wage workers in the order of 26 per cent (Plowman, 1995). The precedent was widely applied in future industrial disputes and awards based on it covered most Australian employees by the 1920s (Fair Work Australia, 2011). This decision was a significant step in the government assuming responsibility for ensuring that employees were provisioned with sufficient income. No longer were such arrangements the private concern of employees and employers.

Courts were used to settle any disagreement between employers and unions regarding employees’ ‘needs.’ The government, through the courts it had established, became increasingly involved in deciding the terms of exchange of labour for income. For example, in Broken Hill Mine (1909)6 minimum wages were increased because employees demonstrated “a marked difference in the costs of living” in that place compared to in urban areas (Higgins, 1916: 94). Likewise, in the Steward’s Case (1910),7 the ACCA lowered the minimum wage rates for stewards on passenger liners as it was deemed the meals stewards were provided with during work reduced their financial requirements. Even though it did not always result in higher wages, the focus on employee’s financial ‘needs’ was considered a higher priority than the capacity of employers to pay wages. In Broken Hill Mine (1909), the ACCA declared that if an employer could not afford to pay a “fair and reasonable wage” then “it would be better that he should abandon the enterprise” (quoted in Hammond, 1913: 282), as the minimum wage “must be sacrosanct” (Higgins, 1916: 93). Over time, the capacity of employers to pay these wages became increasingly relevant (see Fair Work Australia, 2011) but the responsibility to meet needs of employees was the founding principle of government intervention. If employees’ needs changed, or were demonstrated to be different in some fields from in others, the government

5 Ex parte H.V. McKay (1907) 2 CAR 1, 8 November 1907, p3.
7 The Federated Marine Stewards and Pantrymen’s Association (FMSPA) v. The Commonwealth Steamship Owners’ Association and Others (1909–10) 4 CAR 61, 10 May (1910).
would see to it that wages changed accordingly so that needs continued to be met by employers.

Paradoxically, the rigid application of this needs-based principle led to the partial informalisation of income for stewards on passenger liners, for a brief period in the early-twentieth century. In the Stewards case (1910), the ACCA determined minimum wages for stewards should be reduced commensurate with the average levels of tips received:

“The stewards come into contact with the passengers [and consequently receive tips]...My problem is to find what is the income accruing to the steward from all sources by virtue of his employment...employees shall have the means of satisfying their normal needs as human beings.”

Not surprisingly, in future arbitration hearings employees in other industries insisted that the rate of tips they received was negligible or non-existent (see, for example, The Daily News 30 November 1925: 8), to ensure this determination never applied to them. Unions sometimes imposed fines upon those receiving tips, to make certain this remained—or became—the case (see, for example, The Barrier Miner 4 July 1927: 1). Indeed, the stewards who were the subjects of the original ruling, frustrated that their employers were not made to pay the ‘appropriate’ wage, adopted this strategy (The West Australian 14 May 1910: 4). The ACCA stated “the minimum wage will be raised to its proper level if the practice of tipping can be stopped” (Higgins, 1916: 95), so the FMSPA, the union representing the stewards (Morris, 2000), imposed fines upon employees who accepted tips (The Argus 18 October 1916: 7). In 1923, the ACCA officially accepted that the tipping of stewards was eliminated and forbade any assumed level of incidental tip receipts from being used as a basis for reducing the minimum wage requirements (The Argus 18 September 1923: 9). The complete formalisation of government-mandated minimum wages was hence restored and has remained the case since.

Throughout the twentieth century Australian labour relations became increasingly regulated, resulting in a “complete system of state regulated

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8 4 CAR 64, 10 May (1910).
industrial control” (Macarthy, 1967: 81). Thus, even though Australia is often characterised as a liberal market economy (see Hall and Soskice, 2001), Australian legislation characterised labourers as “non-commodities” more than any other western democracy (Bailey et al., 2011). Few Australian employees operated outside this heavily regulated, highly formalised, system of labour market regulation. By the 1980s “over 90 percent of Australian employees had their wages and conditions determined through awards” (Ellem and Franks, 2008: 51). Macarthy (1967) refers to a sense of sameness—albeit limited to white working class males—that originally drove the union movement in the nineteenth century, which valorised equal outcomes for those thought of as having equal status. It was this ‘egalitarianism’ that informed efforts to regulate the labour market, mandating the formalisation of wages. The Australian Government had transformed the free-market with regulations levelling the outcome for wage earners, a security to which Australians became accustomed. There not only developed a “generally accepted view that trade unions had a legitimate and central role in Australia’s formal...industrial relations system” (Taksa, 1994: 117) but also a view that the industrial relations system should be heavily regulated to ensure Australia’s particular version of egalitarianism.

Industrial regulations and an ideology that valorised government intervention became mutually reinforcing. Government-imposed formality was deemed good for society, and public approval of it grew throughout the twentieth century. Starting with the “principle of the minimum wage [finding] general acceptance” (Hammond, 1913: 259) in the early-twentieth century, as people accrued the benefits of an increasingly regulated labour market, it “became socially acceptable for governments to set standards of work [and] to specify and enforce a pattern of social conditions matching the rigours of an abstract concept of social justice” (Macarthy, 1967: 82). Macarthy (1967) notes that Australians were conditioned to approve the government’s imposition of regulations as they emerged as extensions of industrial relations courts’ determinations. Court determinations were seamlessly accepted as government legislation “largely because these test case pronouncements gave these benefits legitimacy within the social mores of Australia” (McCallum, 2002: 230). As
industrial relations were “infused with a moral economy that emphasized the ‘frugal comfort’ of workers and their families” (Bailey et al., 2011: 444), and with the union movement materialising as a major component of the political process, the government no longer had to justify its intervention in these matters; rather, it was widely expected that it should do so. It had become the right and the responsibility of government to guard against the inequities an unfettered labour market generates, regulation on which the people involved in this market came to depend.

A highly regulated labour market was at odds, however, with the economic deregulation that occurred during the 1980s (see Fairbrother et al., 1997), exposing Australian business to international competition. This situation tested Australia’s reliance on regulations, as it prompted a process of continual labour market deregulation by successive governments (see Leigh, 2005; McCallum, 2002; Taksa, 1994). For example, the Government’s 1993 introduction of voluntary collective bargaining reforms shifted “the determination of wage rates and work rules from industry level to individual enterprises” (McCallum, 2002: 233). Iacovetta et al. (1996: 113) suggest this particular reform led to a “diminution of working conditions,” yet was accepted by the electorate. However, the Australian population’s capacity for labour market deregulation was limited, as demonstrated by their response to The Workplace Relations Amendment (Work Choices) Act (2005). Work Choices “significantly reconfigured...the balance of power...in favour of employers” (Bailey et al., 2011: 441) by having the labour market operate largely according to free market principles. At the 2007 election the Government was comprehensively defeated, largely due to a rejection of Work Choices (Bailey et al., 2011). The legislation was subsequently repealed and the discarded regulations reinstated.

Furthermore, those reductions in labour market regulation that were accepted have not translated into acceptance of informality. Neither current legislation nor employment awards make allowance for income acquired
informally, from tips or otherwise. For example, the Australian Industrial Relations Commission (AIRC), the modern version of the ACCA, in 2003 rejected Lone Star's proposed inclusion of tipping into employment agreements. Lone Star, a restaurant franchise, sought AIRC approval for an enterprise agreement that acknowledged certain employee benefits and to offset these against certain forgone employment conditions. As per its legislated mandate, the AIRC's task was to ensure the “terms and conditions were no less favourable” (McCallum, 2002: 233) to employees than the previous agreement. One of the supposed ‘benefits’ that Lone Star sought to have acknowledged was that employees received tips, which the company estimated to be worth 23.3 cents per hour. The AIRC rejected the argument for tips being included in the calculation of benefits, stating it does “not consider the Agreement to provide a benefit to employees in respect of gratuities. Employees are entitled to retain gratuities. The Agreement provides no benefit in this regard.” Despite the partial deregulation of Australia’s labour market in recent decades, then, procurement of income has maintained its formality and its provision is still the responsibility of the employer. The Government ensures this formality is maintained through legislation and the construction of employment awards.

It was this formality under which Larissa, the Frank's bartender I referred to in the introduction of this chapter, and the many other service-employees I observed operated. Regulations ensured they were provided with a wage rate considerably higher than that which the free-market would have dictated. This wage rate appeared sufficiently high that employees did not attempt to generate additional income from tips. Furthermore, though it was the enforcement of government legislation that afforded these wage levels, service-employees recognised that the wages themselves were provided by employers, and demonstrated a sense of responsibility to the owners of the businesses in which

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9 Regarding legislation, see Fair Work Act (2009). Regarding employment awards, see, for example, the Hospitality Industry (General) Award 2010 (MA000099), the Restaurant Industry Award (MA000119), and the Registered and License Clubs Award (MA000058).


they worked. My observations and discussions suggest it was atypical for Melbourne service-employees to take advantage of having access to their employer's resources. This sense of responsibility further undermined the likelihood of workers engaging in informal exchange. The result appeared to be a silent reverence for, or, at least, an acceptance of, the rules regarding exchange, both of labour for fixed wages and of products for set prices. The existence of any such reverence may reflect a perception that these rules have secured an acceptable distribution of resources and prosperity.

**American Governments’ Inability to Formalise**

The US labour market has taken a rather different trajectory from that described above. This seems to have resulted in service-employees lacking the reverence for regulation seen in Melbourne. In the mid-nineteenth century, income generation for US service-employees paralleled the Australian case. Government involvement in wages was non-existent beyond the enforcement of contract law, which required employers and employees to honour their agreements. However, as tipping was minimal at this time (recall Azar, 2004a; Segrave, 2009), income was derived mostly from wages and thus largely formal. By the end of the nineteenth century, again, as in Australia, unions were emerging and achieving improvements to wage rates (see Cobble and Merrill, 1994; Josephson, 1956). After this time, however, the situation for service-employees in each of the two countries began to diverge. Australian service-employees had their income source completely formalised as they rode the nation-wide union movement into politics and a heavily regulated labour market. The US union movement, in contrast, never gained such momentum. In the US, there was consistently lower union participation (Chang and Sorrentino, 1991; Visser, 2006), which peaked earlier than it did in Australia before descending into marginality (see Cobble, 1991). More crucially, however, the US union movement never penetrated the political process. It did not materialise into a major political party with a mandate to shape the rules of employee-employer exchange. Without the authority of democratically elected government, it was unable to force employers to recognise union demands and could easily be ignored due to relatively low union membership. Consequently, the story of the US
government’s attempts to impose formality on income generation for service-employees is very different from the story that unfolded in Australia.

Without regulatory schemas forcing employers to pay wages sufficient to cover the living costs of service-employees, tips were relied upon to fill the void and became increasingly common by the late-nineteenth century (as discussed in chapter 3). Tipping spread, even though higher tip incomes were somewhat offset by concomitant declines in wages (Anonymous, 1927). Nevertheless, service-employees had little choice and, even by the beginning of the twentieth century, for some service-employees “tips usually added up to as much as or more than the fixed wage” (Josephson, 1956: 43). Yet, tipping ran counter to national values, derided for engendering a sense of servility that many Americans, at the time, associated with Europe (see Franklin and Royce, 1891). Scott (1916: 47), in The Itching Palm, a sustained attack on the tipping system, concluded that “gratuities destroy self-respect.” Steutzer (1931: 188) asserted tipping to be a “humiliating and antiquated practice.” In many ways, despite tipping being more prevalent in the US than in Australia, attitudes towards tipping during this period appear similar. Nevertheless, tipping in America—in a system without political forces mandating higher wages for service-employees—became increasingly common practice.

A desire to keep the “American custom of straightforward pay for straightforward service” (Franklin and Royce, 1891: 496) continued to lurk in the collective consciousness, however, leading to several attempts to abolish tipping. In addition to private citizens’ groups, such as the Anti-Tipping Society of America, referred to at the end of the last chapter, in the decade leading up to 1918 seven states enacted laws that made the practice of tipping illegal (Ayres et al., 2005). These laws were designed to formalise customer-employee exchange, but the legislation did not explicitly seek to set higher wages. Should such laws have been effective they would have ensured that income could come only from wages and thus be subject to contract law. However, all anti-tipping legislation was repealed by 1926, “probably because their enforcement was impracticable” (Steutzer, 1931: 188). US government authorities were unable to monitor the multitude of private transactions where tipping might occur. (In contrast, in
Australia, union officials, who were much closer to transactions and activities of employees, enforced anti-tipping measures.) Also, widespread understanding that tips in the US were crucial for service-employee’s livelihoods made for a strong imperative to defy anti-tipping laws. (In contrast, in Australia the prior mandating of a living wage rate took away the moral impetus to pay tips.) During this time it was appreciated that the successful elimination of tipping would result in a need for wages to increase, resulting in higher prices (Scott, 1916). But this did not occur, and informally acquired tips remained a key component of income for US service-employees. Further, the importance of tips to service-employee income, relative to contribution from wages, grew over time. Today, the majority of income for US service-employees is informally acquired, via tips (Azar, 2003; Lynn, 1996).

Following the failure of anti-tipping legislation and the eventual embrace of tipping by the US population, tip money had to be classified within a larger schema of income generation. At this point in US legal history, legislation typically defined income “as the money rate of compensation under the contract received from the employer” (Hyland, 2009: 202). Thus, money received was considered ‘income’ only if formally acquired. However, with tips becoming a growing source of money received, they came to be legally defined as equivalent to income. In the Powers case (1931),\(^\text{12}\) as “tips were openly and notoriously received in the employment,” (quoted in Steutzner, 1931: 183) the court determined tips should be included alongside employer wages when assessing income. At the same time, US courts were also distinguishing tips from gifts, even though it had questionable legal grounds for doing so (Hyland, 2009: see 114 for discussion). Since Roberts v. Commissioner (1949),\(^\text{13}\) US courts rejected the idea that a tip may be considered a gift since it is “tied to the service…without which the occasion would not have arisen” (quoted in Chommie, 1953: 621).\(^\text{14}\) Throughout the mid-twentieth century, then, the US court system simultaneously embraced tip receipts as equivalent to wages paid by employers and rejected the notion that tips are gifts. Thus, even though a raft of failed anti-tipping legislation

\(^{12}\) 275 Mass. 515, 520, 176 N.E. 621 (1931).

\(^{13}\) [Dec. 16, 324], 10 T.C. 581 (1948), affd. [49-2 USTC ¶ 9330] 176 F.2d 221, 226 (9th Cir. 1949).

represented the US Government’s inability to formalise service-employee income, it deemed it as equivalent to wages through the court system.

During this period, a much larger discussion was taking place in the US relating to government’s capacity to legislate a minimum wage. By 1938, twenty-five states had legislation regarding minimum wages (Quigley, 1995). However, the Supreme Court consistently “ruled against the[ir] constitutionality” (Chambers, 1969: 46), on the basis that:

“The ethical right of every worker, man or woman, to a living wage may be conceded...but the fallacy of the proposed method of attaining it is that it assumes that every employer is bound at all events to furnish it” (Adkins v Children's Hospital 261 U.S. at 558 (1923), quoted in Quigley, 1995: 520).

This decision, a “classic of laissez-faire philosophy” (Chambers, 1969: 47), mandated that employers are not bound to provision their employees with any particular level of income, nor is the government allowed to enforce such provision. The National Recovery Act (1933), designed “to help restore wages levels and mass buying power” (Josephson, 1956: 195), was ruled unconstitutional in 1935. Following this, the Supreme Court maintained its position in the Tipaldo case (1936)\textsuperscript{15} but this came under heavy criticism as it was increasingly perceived that the deteriorating economy might be improved with government intervention in the labour market (Chambers, 1969). Chambers (1969: 47) argues that as the Supreme Court also held that minimum wage laws could be allowed in the event of “exceptional circumstances,” the Great Depression afforded the Court a basis to reverse its position. Consequently, and under pressure from an increasingly frustrated public, the Supreme Court allowed for minimum wage laws in its ruling in the Parrish case (1937).\textsuperscript{16}

The US Government imposed a minimum wage with the Fair Labor Standards Act (1938) (FLSA). Grossman (1978: 22) notes, however, that the FLSA applied to only “about one-fifth of the labor force” due to its numerous exemptions. Among those exempt were service-employees, who were not

\textsuperscript{16} West Coast Hotel Co. v. Parrish 300 U.S. 379 (1937).
covered until FLSA amendments in 1966 (McConnell, 2009). Until this point, service-employees had negotiated their wages directly with employers, without either party obliged to consider regulatory requirements; the relatively weak bargaining position of service-employees thus resulted in employers being able to restrict wages, leaving their employees to secure a large portion of their income from tips. The 1966 amendments did result in the minimum wage applying to service-employees, but this still did not translate into the formalisation of income. The main reason was that the minimum wage set was not sufficiently high to create a perception that tipping was unnecessary for a service-employee to acquire a living wage. The second reason was the legislative amendment’s incorporation of “tip credit,” allowing employers to attribute service-employees’ tip-income toward the satisfaction of the minimum wage requirement (McConnell, 2009). Thus, the FLSA further accommodates for informally acquired income but does not formalise it. Informal activity, such as tipping, was, and continues to be, required by service-employees for adequate income. Thus it cannot be said US legislation formalised the exchange of labour for income.

Why has the government constructed tip-income as equivalent to wage-income via the court system and taken its existence into account via FLSA amendments? After failed attempts to legislatively abolish tipping, and formalise the exchange of service-employee labour for income, the US Government was certainly aware of the lost taxation revenues, a widely recognised cost of informal activity. Tips are difficult for a government to keep track of, unlike the wages paid by employers, and “most tipped workers underreport their tips to employers and tax authorities” (Anderson and Bodvarsson, 2005: 466); the US Internal Revenue Service found that 49 per cent of tip income is unreported (Wessels, 1997). It is difficult to know just how much taxation revenue the tipping system costs the government, but Spencer (1996) estimates it ranges between $US9 to $US30 billion annually. Taxation losses are mitigated, to some extent, as the government assumes that “credited” tips (as outlined in the FLSA amendments) are being paid and taxes service-employee’s incomes accordingly. As has been the case since 2009, the FLSA minimum wage is $US7.25 per hour,
less tip credit of $US5.12. Thus, employers may pay $US2.13 per hour in wages but service-employees are taxed on $US7.25. Furthermore, the government uses “presumptive tax methods” (Margalioth, 2006: 133) to tax tip receipts based on sales revenue. While the US government may have been unable to impose the necessary legislation to formalise service-employee income it has been able to reduce forgone taxation revenue by incorporating the informality in its regulatory framework, characterising it as equivalent to that which occurs within the formal sector.

Following the inability of the US government to formalise service-employee income, and the subsequent inclusion of such informality into the US legislative framework, service-employees today are required to informally generate their own income via tips. In addition to tips customarily—almost automatically—paid by many US patrons (Speer, 1997), in at least some cases service-employees had access to goods and services that can be informally exchanged for higher tips. The arrangement I witnessed between Melissa and Sarah, with which I began the chapter, illustrates this well. Such arrangements, involving many different people, were observed often during my fieldwork. It seems likely such behaviour was justified, in the minds of the service-employees involved, by the lack of responsibility they considered themselves to have towards their employers. As Paules (1991: 54) states, in relation to her examination of a New Jersey restaurant, “the tipping system divests management of a traditional source and symbol of managerial authority and detracts from the employee’s sense of obligation toward the company and those who represent it.” This is generally consistent with my own observations at Brooklyn bars and restaurants. For example, Karla, a bartender at a venue nearby Freddy’s, informed me that it was common for bartenders to allow patrons to remain in the venue’s courtyard beyond the time the venue’s license allowed. The purpose of doing this was to encourage more tips but occasionally resulted in the venue receiving a fine, payable by the owners. Karla suggested that bartenders did not have concern for fines imposed on the owners because bartenders felt no responsibility to them. This informal activity, as people respond to their government’s inability to construct a formal framework in which to conduct
their exchanges (an inability that itself stems, at least in part, from the particularities of the national ethos), resulted in a redistribution of resources that service-employees found more acceptable.

**Closing Remarks**

The informal economy literature tends to focus on the poor and the marginalised, operating on the assumption that such conditions are where informal activity breeds. However, on the basis of its demonstrated relationship with formality, I consider ‘everyday’ activities within the Australian and US service-sectors, and conceptualise informal activity (or, its absence in Australia) in terms of the historical development of formality. Rather than, as often implied in the literature, governments always being able to impose formal structures upon informal activities it seems that governments require some level of acquiescence from its citizenry in order to do so. In other words, the government needs moral authority to impose formality. Even though the US population of the early-twentieth century appeared to largely support the elimination of tipping, and the effective formalisation of service-employee income, it did not support the only way that this could have been achieved—with minimum wage laws sufficient to eliminate the need for service-employees to elicit tips. Consequently, in order to reduce lost taxation revenue the US Government resorted to constructing tips as equivalent to wages and incorporating this informality into its legislative framework. The Australian population, constituted by a higher proportion of wage labourers in the early-nineteenth century and a more effective union movement, supported government imposition of minimum wages to ensure the ‘needs’ of employees were satisfied. This led to the development of a highly regulated labour market, with the consequence that income was formalised.

This historical comparison demonstrates one of the ways in which American capitalism and Australian capitalism have developed differently. Income generation among service-employees differs despite both nations ostensibly being free-market capitalist societies. The gap between the formal exchanges among Australian service-employees, employers and customers and the informality of exchanges among their US counterparts make more sense
when understood in relation to the century of regulations which sit behind them. In Australia, regulations and formality were desired, to ensure that the “feeling of mateship or sameness” (Macarthy, 1967: 72) be a lived reality; from this came a valorisation of the formal frameworks that ensured a commensurate distribution of resources. In America, regulations designed to ensure service-employee income derived from wages, instead of tips, were undermined by an ideology which valorised “the self-reliance of the individual” (Marshall, 1925: 163). In other words, the prevailing ideology in the US was that individuals generate their own livelihood, rather than relying on government regulations. This is what service-employees, such as Sarah, were left to do as they partook in system of informal exchanges with customers. This difference between American and Australian capitalism, regarding the degree to which service-sector exchange takes place within formal frameworks, is the context in which my observations of Freddy’s and Frank’s took place. The remainder of this dissertation is concerned with how people within those two bars incorporated the society in which they existed into their daily lives, including how they interacted with others and how they experienced those interactions.
PART III: PRACTICE
Chapter 5: Freddy’s ‘Boundary’ and Frank’s ‘Barrier’

I introduce Freddy’s and Frank’s in this chapter by considering how relationships were negotiated, through reflecting upon how participants understood the space in each venue. I argue that people at Freddy’s perceived the bar sitting in between the on-duty bartender and patrons operated as a ‘boundary’—an imprecise demarcation between two spatial segments that enabled negotiation to occur and personal relationships to develop across it. In contrast, I put forward that people at Frank’s perceived the bar to operate as a ‘barrier,’ constituting a strict segregation of bartenders and patrons. I present three forms of evidence for this argument. First, rules of access to the areas behind the bar are different in each setting. Second, the architecture at Freddy’s and Frank’s, while broadly similar, better enabled the development of a boundary and barrier, respectively. Third, language used by people in each bar reflected and reinforced these particular conceptualisations of space. Given that, in the literature, ‘boundaries’ are taken as tools employed for communication and ‘barriers’ are modes of exclusion, the demonstration of their respective existence at Freddy’s and Frank’s informs an understanding of how the relationship between bartenders and patrons differed in each venue.

Researching Bars

Public bars are one of the “core settings of informal public life” (Oldenburg, 1999: 16). Bars are places whereby someone can “‘let his [or her] hair down’ and relax” (Reilly, 1976: 571) and, when mentioned, can “conjure up images of community, commonality, and camaraderie” (Pliska, 2006: 2). This may be due to the many roles bars play in people’s lives, hosting a variety of social activities, such as dining (Kirkby, 2008) and the enjoyment of local music (Bennett, 1997). Bars provide bases for political and social movements (Hunt and Satterlee, 1986; Kirkby et al., 2012; Reilly, 1976). By virtue of catering to a range of community types, bars are the materialisation of folk and popular cultures (Everitt and Bowler, 1996). Perhaps as a corollary, however, bars also are implicated in the reproduction of negative gendered and ethnic stereotypes and hierarchies (see Ayres, 2000; Carlson, 1977; Kirkby, 1997a; 1997b; Smith, 1985; Spradley and
Mann, 1975), and to the continuation of public health problems such as binge-drinking (Clapp et al., 2009; Crespingy et al., 1999). Presentable as both the height of civic refinement (Berlanstein, 2001) and sites of moral decay (Rorabaugh, 1981), bars are spaces of intense social interaction generating a “complicated matrix of human behavior and social organization,” (Smith, 1985: 305) justifying scholarly interest.

One outcome of this academic interest has been Spradley and Mann’s (1975) *The Cocktail Waitress: Woman’s Work in a Man’s World*, an ethnography of an American college bar. The authors discuss the marginalisation of the female employees within “Brady’s Bar” and the ways in which they were constrained into accepting an inferior status. McKether (2011) notes that it was due to the effectiveness of studies such as *The Cocktail Waitress* that researchers now more closely examine these forms of power dynamics and oppression. However, perhaps one reason the ethnography of Brady’s Bar “stands the test of time” (McKether, 2011: 47) is that it was not situated within a wider context. Spindler and Spindler (1983: 56), in their review of studies of American culture, note that although the study of Brady’s Bar is seen as a microcosm of gender relations the “meanings of the bar in American culture and of this bar in the local culture [were] not probed” and that it is unknown “the extent to which sex roles and relationships may [have been]...reshaped in the setting.” In other words, there is no reference frame within which to situate the descriptions of Brady’s Bar. Readers are left to guess the extent to which it represents 1970s America and the extent to which it remains illustrative.

Notwithstanding that *The Cocktail Waitress* is a study of gender and this dissertation is a study of exchange, my methodology involved attempts to overcome analogous concerns regarding my own ethnographic descriptions of Freddy’s and Frank’s. First, as evidenced by chapters 3 and 4, the forthcoming ethnographic descriptions of bar life are historically and politically situated. Second, instead of conducting research within a ‘college bar’ or any other form of bar which deliberately caters to and typically attracts a specific category of clientele, Freddy’s and Frank’s are ‘neighbourhood bars,’ incorporating a broad spectrum of people from the community in which they resided. Third, as this is a
Comparative ethnographic description of Freddy's and Frank's, the two bars were selected due to their being similar in most respects. Through participant observation I sought to identify explanations for the different tipping behaviours that I assumed (and later confirmed) would exist in the two bars. As such, differences between practices in the bars are taken as clues for explaining different tipping attitudes and practices, which were developed within the aforementioned historical narrative. The key difference considered in this chapter is the way participants understood and used ‘space’ within each venue.

I was sitting at the bar with Dale and Manning, both off-duty Frank's bartenders. Nicole, the on-duty bartender, was standing behind it. The venue had about another 15 people in it but they were sitting in the courtyard and out of sight from the four of us in the bar room. A patron in his early 30s came into the bar room from the courtyard, reached over the bar and took a glass as he said to Nicole, “can I take one of these?” in the process. The patron required an extra glass, having not retrieved enough moments earlier when he bought a pitcher (jug)\(^1\) of beer. It was not unusual that a patron needed an extra glass, but a patron reaching over the bar was not common. After the patron returned to the courtyard, Dale said, “I hate it when people do that, just take a glass...There’s a barrier.” As Dale motioned his hands above the bar top he added, “there’s an invisible wall here. If you want a glass you say, ‘can I have a glass?’” Nicole and Manning expressed agreement with Dale’s comments.

Later that year, I was sitting at the bar at Freddy’s while Mitchell was bartending. A patron, again in his early 30s, came to the bar area from the courtyard to order four beers. The patron was unsure of what he wanted and asked Mitchell some questions. The patron touched the top of each beer tap as they were being discussed, then made his selection and walked back to the courtyard with his drinks. Mitchell turned to me and said, “I hate when people touch the taps.” I asked why. Mitchell replied, “I don’t know. I just hate it. They’re my taps....I would have bought him a drink otherwise...but he had to touch the taps.” By suggesting he would have bought the patron a drink, Mitchell was

\(^1\)Where equivalent, but different, words were used in the Freddy’s (/American) and Frank’s (/Australian) context, I will use the Freddy’s version, followed by the Frank’s version in parenthesis on the first occasion.
referring to the system of ‘buybacks’ that Freddy’s had in place where bartenders typically afforded patrons their fourth drink without charge. Bartenders were not obliged to do this but often did as it generated goodwill among patrons.\(^2\) I suggested to Mitchell that because this was not made explicit, the patron would never know that he did the ‘wrong’ thing. Mitchell replied, “no, it’s not like I can say I would have bought him a drink if he didn’t touch the taps. I would look like a dick.”

In both instances, the patron positioned part of themselves across the bar and into the bar area to the same degree. Only Frank’s bartenders perceived a violation of a ‘rule’ pertaining to space. Mitchell also expressed discontent, but not in relation to the violation of a spatial rule.\(^3\) Rather, Mitchell, who considered the beer taps to be his property during his shift, did not appreciate the patron’s handling of them. There is an issue to be explored with respect to how Mitchell came to think of his employer’s equipment as his own;\(^4\) however, here I will discuss how Mitchell’s Australian counterparts at Frank’s collectively considered that an “invisible wall” separated them from patrons. The existence of this barrier at Frank’s, how it came to exist and was maintained, is considered via a comparison with Freddy’s, where a barrier was not evident; a boundary existed instead. The conceptualisation of barriers and boundaries reflected and reinforced relationships in each bar and shaped the interaction of participants, issues that are built upon in the following chapters.

‘Space’

Anthropological research has often neglected questions of ‘space,’ which is taken here to be how the built environment is arranged, employed and understood. Appadurai (1988a) says as much when introducing a 1988 special issue in the journal *Cultural Anthropology*, titled *Place and Voice in Anthropological Theory*. Feld and Basso (1996) repeat this claim as they introduce a collection of essays

\(^2\) ‘Buybacks’ are discussed in greater detail in chapter 6, which is where I focus on the intersection of social interaction and economic exchange.

\(^3\) Mitchell’s lack of concern relative to Frank’s bartenders regarding the strict spatial demarcation between himself and patrons was not specific to him. Other Freddy’s bartenders expressed similar sentiments, some of which are discussed in this chapter.

\(^4\) This issue is examined in chapter 7 by way of considering how Freddy’s and Frank’s bartenders related to, and undertook, their work.
called *Senses of Place*. Low and Lawerence-Zuniga (2003a), in *Anthropology of Space and Place*, note how anthropologists sometimes lose focus on space as a concept of relevance to the people and societies they describe (although also suggest its importance is increasingly being recognised). Surely each time this claim of neglect is made, when introducing a new body of work pertaining to space, it must lose credence. Despite these additions to the literature, however, anthropological studies still tend to obscure ‘space’ as they focus on the specifics of social action and participants’ points of view. This is particularly so when comparing anthropology to other disciplines, such as geography and architecture (see Hubbard et al., 2004b). Geertz (1996) suggests the “invisibility” of *place*—where place is taken to be space with which people have generated a “strong emotional tie” (Sime, 1986: 50), personal affinity or identification (Cuba and Hummon, 1993; Fernandez, 2003)—is because it “makes a poor abstraction. Separated from its materializations, it has little meaning” (1996: 259). As space is more of a material entity than place (see Casey, 1996) it is unsurprising that space is also ‘invisible.’

This is not to suggest that anthropological researchers ignore space, but they may marginalise it and render it inconsequential. Rodman (2003: 207) notes place is typically equated with the location of ethnographic research, with there being “little recognition that place is more than locale, the setting for action, the stage on which things happen.” As per Geertz (1996), Rodman is referring to *place*, not *space*, but the same can be said for the anthropologist’s incorporation (or, rather, lack thereof) of spatial concepts into their meditations. However, rather than a “stage on which things happen,” many anthropologists present space as a *frame* to their observations. Sometimes this is obviously the case; for example, McLoughlin (1993: 8) refers to particular boundaries as “constituting frames of identity.” Broadly speaking, a frame contains a picture, separating what is inside the picture from what is outside it; a frame is not part of the picture and is interchangeable. To present a description of human

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5 The presentation of societies as discrete entities is another problem for anthropological research. Bashkow (2004: 443) notes anthropology's critics argue, “that concepts of culture inappropriately posit stable and bounded ‘islands’ of cultural distinctiveness in an ever-changing world of transnational cultural ‘flows.’” This issue is not dealt with in this dissertation, but nevertheless makes the ‘frame’ metaphor more suitable than referring to a ‘stage.’
behaviour as contained within a frame implies that it might be the same within other frames, particularly other frames that appear similar at a glance (such as the physical dimensions and characteristics of two neighbourhood bars). Thus, treating space as a frame can do more than marginalise it; space is inadvertently rendered inconsequential. But space was not inconsequential to Dale, Manning and Nicole, united in their perception of the “invisible wall” dividing bartenders and patrons. Nor was such a perception of space inevitable; Mitchell tended bar in analogous surrounds but did not consider there to be an equivalent wall that patrons might ‘breach.’

The way in which space is designed, structured, perceived, and employed is inextricably bound with human interaction (Bourdieu, 1989; Casey, 1996). Researchers have taken a variety of positions on the nature(s) of this relationship. Dovey (2002: 275) asserts that space defines social organisation by suggesting, “architecture constructs the representational frameworks...in which we live our lives.” More prevalent interpretations of how space and sociality intertwine collectively suggest a mutually constitutive feedback mechanism, whereby people shape their surrounds—including by how they interpret it—while simultaneously being enabled and inhibited by it (e.g., Fernandez, 2003; Lawerence and Low, 1990; Leach, 2002; Low, 1996). Bourdieu (2000; 2002) makes clear that although spatial perceptions may feel natural and appear self-evident, they are acquired over a process of embodiment, making the built form into something of an “objectivated cultural capital” (Leach, 2002: 282). Consequently, “the truth of any interaction is never entirely to be found within the interaction as it avails itself for observation” (Bourdieu, 1989: 16), because people are also subconsciously employing common spatial knowledge during such interactions. To that end, just as Casey (1996) demonstrates that place-making is not the result of layering meaning upon some prior geometric reality but that ‘space’ and ‘place’ are co-constructed, I will show conceptions of space are tied to the built form and developed through human interactions. This means that spaces that appear architecturally similar, such as Freddy’s and Frank’s, may be perceived differently, as the groups within each venue are conceptually constructing spatial perceptions through distinct processes of social interaction.
As exemplified by the description of how Frank’s bartenders reacted to a patron placing part of himself across the bar, I argue that people at Frank’s perceived a barrier separating bartenders and patrons, with a barrier being something which “bar[s], hinder[s] or block[s]” (Bashkow, 2004: 450) in order to “enclose a defended and exclusive territory” (Lee, 1968: 157). In contrast, as exemplified by Mitchell’s lack of reference to a comparable spatial rule, I argue Freddy’s participants perceive a boundary between bartenders and patrons. Unlike barriers, boundaries do not exclude or contain but are “porous and permeable” (Bashkow, 2004: 445), represent a “transitional space” (Kooyman, 2006: 424) and “do not necessarily imply sanctions against trespass” (Lee, 1968: 157). Williams (1982) argues that boundaries need not be precise and that their imprecision makes them effective instruments of mediation between groups. Boundaries, then, can be seen as imprecise barriers that facilitate communication.⁶ Williams (1982) and Cohen (1969) argue that assessing the nature of the boundary in terms of its cultural context may illuminate the nature of the relationships that are being mediated. The same can be said for barriers.

What were the contextual characteristics that fed into the construction of Dale’s “invisible wall?” What does this barrier say about, and how did it shape, the relationship between Frank’s bartenders and patrons? Any explanation needs to go beyond the existence of a physical bar, since a bar was also a feature of Freddy’s but there it operated as a boundary instead of a barrier. What form did Freddy’s boundary take and in what ways did it mediate bartender-patron relationships? Considering both venues together, how have participants developed such different perceptions of space given they occur in a largely equivalent set of “geometric relationships” (Hubbard et al., 2004a: 5)? In the following sections of this chapter, I discuss this difference in terms of three contextual factors. First, different access rights to the bar area (by which I am referring to the area behind the bar) were afforded to participants. Second, subtle architectural differences between the two venues were consequential. Third, the language used by participants reflected and reinforced these different notions of space. Each of these issues is considered in turn.

⁶ Of note, some authors discuss barriers in terms of them being “hard” boundaries (see Bashkow, 2004: 450).
Access to Space

During my time at Frank’s as a patron-researcher, I did not witness a single patron walk into the area behind the bar, even momentarily; even instances of patrons reaching over the bar for a glass were very rare. In contrast, I witnessed several Freddy’s patrons cross into the bar area; though these ‘crossings’ were often only partial (as they stood just within the entrance to the bar area) they usually occurred in the presence, and with the implicit acquiescence, of a Freddy’s bartender. Returning to Melbourne following my Brooklyn-based fieldwork, I revisited Frank’s where Manning asked me whether people at Freddy’s have “the same taboo of crossing the bar.” I replied that they did not seem to and asked if a patron had ever entered the Frank’s bar area. Manning responded:

“Yeah, but very rarely. When it happens it’s a big deal. You don’t just—I wouldn’t go to another venue and go behind the bar. If I did I would expect to be booted immediately and maybe roughed up in the alley depending on what type of bar it was (laughs)...It’s a very rare occurrence. People just know not to do it. It’s common sense.”

Manning’s description sits in contrast to behaviour at Freddy’s, where such “common sense” took on a different character. Mitchell stated that he usually asked a patron to step back from the area behind the bar at Freddy’s “about once a month” but also added that it was not a serious transgression and such patrons were not consequently required to leave the venue. Furthermore, Mitchell noted patrons who had a close relationship with the bartender were typically not required to step back should they venture slightly behind the bar. As elaborated below, the ability of patrons to access the bar area was different in each venue.

As mentioned, I did not see a Frank’s patron walk into the bar area during my participant observation as a patron. However, one patron did momentarily traverse the “invisible wall” when I was bartending at Frank’s, one of five paid shifts I completed. Amy entered the venue as I stood in the bar area. She seemed as shocked to see me behind the bar as I was to see her entering the venue. We knew each other personally but had not spoken for some time due to a disagreement. Perhaps because of this Amy did not approach the bar area, remaining in other parts of the venue as her friends bought her drinks. As closing
time approached I was standing near the entrance to the bar area stacking glasses into trays. Amy approached me, standing at the entrance to the bar area but not crossing it; she expressed her complaints against me, possibly emboldened by alcohol. I did not engage, not wanting to bring my personal life into Frank’s. Seemingly dissatisfied with my (lack of) response, Amy raised her voice and took one step closer in the process. This one step brought her just into the bar area. I interrupted her, stating, “you can’t come back here.” Amy stopped immediately and took stock of where she was. With a look of embarrassment she took a step back and apologised. Upon returning to the ‘correct’ side of the invisible wall she resumed venting. Amy’s accidental transgression highlights how strongly patrons perceived this partition between themselves and bartenders.7

Freddy’s regular patrons routinely and knowingly crossed into the bar area to the same degree as Amy accidentally did at Frank’s, and occasionally to a greater extent. As noted above, however, such crossings were permitted only when patrons had established a sufficiently close relationship with the on-duty bartender. These slight crossings accommodated sociality between patrons, as a patron behind the bar may then stand, almost alongside the on-duty bartender, facing other patrons who are in front of the bar. Such crossings also highlighted the strength of the patron’s relationship with the on-duty bartender, as it demonstrated trust and familiarity to be able to cross into the space where on-duty bartenders work. Occasionally, patrons ventured further behind the bar if they were particularly close with the on-duty bartender. One instance involved Mitchell allowing Jess, a patron with whom Mitchell had become close in recent months, to stand behind the bar and choose the music that was played in the venue from his playlist. However, bartenders required patrons to step back from behind the bar if they were insufficiently familiar or if they had ventured too far into the bar area. An example of this took place when a patron, perhaps in her mid-20s and new to Freddy’s, walked several feet behind the bar, seeking the

7 The strength of this perception also applied to me. My assertion to Amy that she could not cross into the bar area was not a product of a conscious identification of an ‘invisible wall’ that I strategically employed in the moment. It was an unreflexive reaction to the situation. Only subsequently, when comparing typical behaviours in each setting, did the significance of the event become apparent.
bartender's attention. The bartender immediately ushered her out from behind the bar and asked that she not venture behind the bar again. However, in contrast to Manning’s description of how he would expect Melbourne bartenders to respond to this scenario, she was not required to leave the venue. Freddy’s bartenders suggested that intrusions into the bar area of this magnitude were rare. Nevertheless, when considering the totality of participant behaviour, it seems that Freddy’s patrons did not identify the strict limitations to accessing the bar area to nearly the same degree as such limitations were understood at Frank’s. At Freddy’s, a patron’s ability to cross the boundary of the bar provided a way of demonstrating the depth of their relationship with the bartender.

Different rules of access also applied to owners and off-duty bartenders. Frank’s owners and bartenders had constant and unfettered access to the bar area. At Freddy’s, conversely, access to the bar area was only automatic while on-duty; off-duty bartenders and owners did not enter the bar area without permission from the on-duty bartender. For example, on an occasion when Edna was the on-duty bartender, Marshall, part owner, stood at the entry point to the bar area and said, “Edna, sorry darlin’ but can I get my keys?” Edna, whilst pouring a drink, replied positively and Marshall took the two steps into the bar area needed to retrieve his keys. This was a typical dialogue between Freddy’s on-duty bartenders and off-duty bartenders or owners who sought to momentarily step behind the bar. Permission was requested even though on-duty bartenders always afforded owner’s or off-duty bartender’s consent. At Frank’s, in contrast, owners and bartenders did not need to be on-duty to cross into the bar area, nor did they need to ask permission from anyone to access the space. Even though on-duty bartenders were typically the only people within the bar area, if an owner or off-duty bartender found the need to access the space they simply did so. Such entitlement was held by virtue of being an owner, or bartender, of Frank’s.

Furthermore, it was not just Frank’s bartenders that seriously opposed patrons crossing the bar into the bar area. On 20 June 2013, Mal Meninga, Australian sports personality and National Rugby League coach, was escorted from a Queensland pub and subsequently confronted by the national media for walking behind the bar. See McDonald (2013).
Considering these descriptions of owners, bartenders, and patrons together, I argue that while Freddy’s participants negotiated a boundary as a means of demonstrating a relationship, a barrier existed between Frank’s bartenders and patrons as distinct categories. Evidence that the bar at Freddy’s operated as a *boundary* is “supplied by rules regarding permission to enter” (Williams, 1982: 45); such permission was granted by on-duty bartenders, explicitly to owners and off-duty bartenders and implicitly to patrons with whom they were familiar. Further, consistent with Williams’s (1982) argument that common space surrounding an area does not exist for the purposes of exclusion, Freddy’s owners, off-duty bartenders and patrons (in principle) could access the bar area, albeit to different degrees. The on-duty bartender ‘controlled’ access to the bar area, and permitted entry based on their relationship with the person seeking access. Owners and off-duty bartenders explicitly requested access to reaffirm that the on-duty bartender is in charge of operations. Patrons did not request entry, but ventured only slightly into the bar area so as to demonstrate their closeness with the bartender. In effect, then, the bar did not establish a complete demarcation between the on-duty bartender and everyone else but provided a basis via which to negotiate access to a particular space.

In contrast, the unfettered access of Frank’s bartenders and owners to the area behind the bar, and the complete exclusion of Frank’s patrons from such access, reflected a clear division between the people in each group. This was manifested in what the bar area represented to participants—a space prohibited to patrons and unquestionably available to owners and bartenders. Whilst the ‘barrier’ protecting this space could literally have been physically traversed by anyone, participants acted as if such behaviour by patrons was not comprehensible; Frank’s participants’ behaviour indicated a tacit agreement that there was a separate space for owners and bartenders.

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9 This issue is taken up further in chapter 7.
10 Owners and off-duty bartenders needed to explicitly ask permission to enter because they tended to require access throughout the bar area (and may even inadvertently interrupt the on-duty bartenders activities). In contrast, patrons tended to venture only slightly behind the bar and did not interrupt the bartender’s activities.
Design of Space

Freddy's and Frank's architecture is discussed here, after consideration of participants’ access to the bar area, as this is the order in which the participants themselves experienced the space of each venue. Dovey (2002: 267) points out that people live first and look second, suggesting “[o]ur contemplative gaze falls upon ‘architecture’ within a spatial world we have already silently imbibed and embodied.” The built environment influences attitudes and behaviours, rather than being neutral (Dovey, 2002; Lawerence and Low, 1990). To that end, this section discusses ways in which the architectural designs of Freddy's and Frank's respectively helped give rise to and support the experience of boundaries and barriers within them. Whilst both venues are on one level the same—for example, as discussed in chapter 2, each has an ‘L’ shaped bar at which drinks were requested, produced, exchanged and consumed—minor differences in their designs (see Figure 1) are consistent with each ‘space’ being understood and employed differently. The different design features concerned, particularly, how production and consumption activities of bartenders and patrons were arranged. The design of Freddy's brought together, in a physical sense, production and

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**Figure 1: Bar Layouts**

**Freddy's bar layout**

- Stock
- Cash register
- Tips collected here
- Stock
- Beer taps
- Bar top/Workbench
- To behind bar
- Bar chairs

**Frank's bar layout**

- Stock
- Workbench
- Bar top (not used for service)
- Key: 3' 3'
- To behind bar
- Bar chairs

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consumption, which both took place, at least in part, on the boundary itself. In other words, at Freddy’s there was not a decisive point at which patrons’ territory in which to consume converted to bartenders’ territory in which to produce; there was a shared region connecting them. In contrast, the architectural design of Frank’s separated the processes of production (bartender activity) and consumption (patron activity), with the barrier sitting in between.

At Frank’s, the bar room was 40 feet long by 13 feet wide. The part of the ‘L’ shaped bar top along which patrons could sit was 16 feet in length. Stairs, leading to the restrooms and manager’s office, ascended at the end of this bar top. Apart from the seven bar chairs lining the bar area, there was no seating in the bar room. Most seating was in other parts of the venue, such as the band room and the courtyard, largely out of sight of bartenders whose work primarily took place in the bar area. The bar top itself was eleven inches in width. This was where bartenders placed drinks when giving them to patrons. It was where patrons rested their drinks if consuming it ‘at the bar.’ Pressed up against the bar top was the bartenders workbench. It stretched the same length as the bar top varying between 16 inches and 20 inches in width but sat eight inches lower than the bar top. Bartenders used this space for production, such as the making of drinks and preparation work. Bartenders also stored their tools on the workbench so they were conveniently accessible. The workbench and bar top were easily distinguishable; the former was designed for bartenders to produce drinks and the latter for patrons to consume them. Ozaki and Lewis (2006: 91) point out “the meaning of [a] physical threshold...lies in its association with social classifications.” The sharp demarcation of bar top and workbench makes for an easily identifiable physical threshold, which more effectively enabled Frank’s ‘barrier’ to come into being and be maintained. It was not a coincidence that when Dale spoke of the “invisible wall” his hands were motioning above the point where the bar top and workbench met.

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11 The bar top continued on from the other side of the stairs but trade did not take place over this extension. Bartenders cleaned glasses and stored stock in this relatively unused part of the bar area.
Freddy’s bar room was 49 feet long by 18 feet wide, slightly bigger than at Frank’s. The bar top along which patrons could sit was almost 33 feet in length, considerably longer than at Frank’s. In addition to the 12 bar chairs lined up along the bar top there were eight tables for seating patrons in the bar room. (Also, as with Frank’s, there was seating in the band room and the courtyard.) Freddy’s bar top was 23 inches in width, more than twice that of Frank’s bar top. However, bartenders did not have a separate workbench. Bartending work was done on the bar top amongst patrons and their drinks. Bartenders also stored stock and equipment that they preferred to keep close by on the bar top. The bar top and workbench was the same thing, a shared space for bartenders and patrons. This design made for a different scene than that which existed at Frank’s, where the only items placed upon the bar top were patrons’ drinks. At Frank’s, separate spaces for bartenders and patrons reduced the requirement for people of each group to be aware of, and negotiate with, people of the other. At Freddy’s, the shared space required close engagement between bartenders and patrons.

Freddy’s combined bar top/workbench sometimes resulted in chaos, at least to the eyes of the uninitiated. During busy periods, strewn across Freddy’s bar top/workbench were unfinished drinks, empty glasses soon to be refilled, empty glasses yet to be collected, clean glasses soon to be used, coasters, straws, price lists, cut fruit to be used in drink production and bartending equipment, such as bottle openers, wash cloths, knives and chopping boards. Add to this the propensity many patrons had to leave their money on the bar whilst drinking, often partially separated into two piles—‘drink money’ and ‘tip money,’ the latter usually not taken by bartenders until after the patron had left—and it is easy to imagine the degree to which patrons and bartenders constantly negotiated each other’s presence in this communal space. While the area behind the bar was the domain of the bartender and the other side populated by patrons, there was no discrete point that marked the conversion of one area into the other; a shared space—the bar top/workbench—sat between them. Consistent with the

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12 This larger bar room was offset by a slightly smaller band room adjacent. Thus, as referred to in chapter 2, the combined size of the bar room and the band room in each venue was similar.
13 This is discussed in greater detail in chapters 6 and 8.
argument of Williams (1982), who asserts that discontinuities of space that are conceptually demarcated with this kind of imprecision (that is, a boundary) suggest amicable relations among those involved, Freddy's shared space represented close, or at least personal, relations between bartenders and patrons. This form of relations undermined the development of a barrier that would otherwise have reflected and reinforced social separation.

In addition to the structure of the bar top/workbench, a difference in the design of the bar rooms also encouraged Freddy's bartenders and patrons to come together and Frank's bartenders and patrons to maintain distance. At Frank’s, as discussed, there was little seating in the bar room. The short length of the bar did accommodate some patrons, but the majority of the venue’s seating resided in the band room and the courtyard. This design feature subtly encouraged Frank’s patrons to consume their drinks in those areas. This took patrons away from bartenders, leaving the bar room to be primarily a place to purchase drinks but not consume them; the bar room was a place of trade more than sociality. At Freddy’s, in contrast, due to the greater amount of seating available ‘at the bar’ and in the bar room, patrons were more likely to consume their drinks in sight of the bartenders (and sometimes with them, an issue elaborated upon in chapters 6 and 7). Patrons could, and did, consume drinks elsewhere in the venue, but the bar room was the main area for consumption.

Thus, the bar room at Freddy’s was a place for both the production and consumption of drinks. The spatial merging of production and consumption among Freddy’s participants, in addition to the absence of a physical divide that strictly separated spatial segments, further undermined participants’ capacity to imagine a barrier between bartenders and patrons. At Frank's the "physical threshold” between the bar top and workbench was reinforced by the design of the venue, which encouraged the separation of patrons from bartenders, whereas the design of Freddy’s kept bartenders and patrons in close proximity, necessitating regular negotiation and a ‘boundary.’

To a large extent, Freddy's and Frank's participants had to accept the physical characteristics of their venues as they found it. However, as Lawerence and Low (1990) make clear, the relationship between people and materials
relating to ‘space’ is not one way; people also create their built environment, in addition to being influenced by it. So far, I have discussed how participants conceptualised each venue through encountering, interpreting, and using their physical environment. However, one physical change Frank’s bartenders made to their built environment involved the use of bar mats, rectangular pieces of material that were laid upon bar tops and soaked up spilt drinks. The 16-foot long bar top was covered in bar mats at the start of each day, which were removed and washed upon closing. While only a small adjustment to the built environment, the use of bar mats reinforced the barrier between bartenders and patrons. Bar mats eliminated the need for bartenders to wipe down the bar top throughout their shift, thus negating the need to impose themselves into the space used by patrons. Frank’s bartenders and patrons did not need to share space, even momentarily. Freddy’s bartenders, in contrast, did not use bar mats; drinks were placed on coasters. Freddy’s bar top/workbench thus required regular cleaning, which brought bartenders into the vicinity of patrons even more than they already were. The potential sense of separation that might have come with the bar top sitting in between bartenders and patrons was further diminished. The use of bar mats at Frank’s, however, may have only marginally reinforced the idea that bartenders and patrons ‘belonged’ to separate spaces, demarcated by a barrier. Nevertheless, when considered in context, the use or non-use of bar mats supports participants’ conceptualisations of the bar itself being either a barrier or boundary.

Language with Space
If the participants of each venue generally had different understandings of space then we could expect this to be reflected in the way they spoke. As culture, meaning and language are inextricably connected (Hill and Mannheim, 1992), in addition to considering how people perceive of space by examining who has access to it and the specifics of its physical design, one can investigate how language is used to describe space (Levinson, 1996). Sapir (1929: 209) notes observation alone is insufficient to understand culture and “[l]anguage is a guide to ‘social reality’.” Higgins (1992) argues, further, that “social reality” gains traction and is maintained when shared via language. In Bourdieu’s (1979: 79)
terms, language can construct reality in this way due to its “symbolic power.” Language, then, provides clues as to the nature of the subjective reality perceived by participants in each language group. Therefore, an examination of the language used at Freddy’s and Frank’s may be able to further support, or otherwise, the existence of boundaries or barriers in each venue.

Recent studies have demonstrated covariance between language structures and spatial cognition, when comparing language groups (see, Danziger, 1996; Levinson, 1997; Pederson, 1995; Pederson et al., 1998). This research supports ‘linguistic relativity,’ the idea that language and cognition correlate, and involves comparing language structures to observational or experimental data relating to spatial cognition. The results of such studies led Levinson et al. (2002) to outline two basic positions with respect to language and cognition. The first suggests that language merely reflects and represents thought, a position advocated by Li and Gleitman (2002). The second extends the first by suggesting that language “may reorganize and restructure the underlying cognition even in domains such as space” (Levinson et al., 2002: 156). This position suggests language influences human thinking, instead of simply representing it. Linguistic determinism is the most extreme version of this position, which Levinson (1996: 356) borders upon when he says “language may determine the cognitive categories rather than the other way around.” A more moderate, and more widely supported, version is that language and cognition both reflect and reinforce one another in a constant feedback mechanism. This is advocated by Danziger (1996: 79) who notes, “[l]inguistic structure...[is] more than merely a ‘reflection’ of social practice. It also functions in everyday life constantly to re-create the very constellation of social forms which gave it meaning in the first place” (see also, Hill and Mannheim, 1992; and Holtgraves and Kashima, 2008).

In this section, I compare different terminology used by Freddy’s American-English speakers and Frank’s Australian-English speakers to identify patterns regarding how space was understood. The existence of different spatial conceptualisations between Freddy’s and Frank’s participants should be evidenced in their respective use of language. Further, according to the literature
regarding the relationship between spatial cognition and language, any such differences likely both reflect and reinforce how each set of participants conceive of the space of each bar. It should be noted that a demonstration of these differences does not require assessment of the basic elements of the linguistic systems used within Freddy’s and Frank’s. Such assessment is standard practice as linguistic research often involves the comparison of distinct language groups. In this case, however, the American-English used at Freddy’s and the Australian-English used at Frank’s shared the same relative, egocentric, frames of reference (see, Levinson et al., 2002; Pederson et al., 1998). Given that basic characteristics of the language used by Freddy’s and Frank’s participants are identical, the differences considered here relate only to the employment of language with respect to space.

The first difference involves how the establishments themselves were referred to. Frank’s was most commonly referred to as a “pub,” the conventional term for drinking establishments in the Australian lexicon (for examples, see Wannan, 1972). It was initially an abbreviation for “public house,” a term derived from nineteenth century legislation whereby licensed premises were also required to provide accommodation. However, “pub” became interchangeable with “public bar” by the twentieth century (Kirkby et al., 2012: 4-5). In contrast, American-English users abbreviated “public bar” to “bar,” instead of “pub.” So ingrained was this difference that during participant observation at Frank’s an expatriate American told me, “the first thing you need to know is that we [Americans] don’t call them pubs, we call them bars.” This is a telling difference with respect to spatial conceptualisations. Frank’s participants’ use of the word “pub,” (consistent with Australian lexicon) emphasising the public nature of such establishments, sits in contrast to the American emphasis on the barrier to entering the premises itself by using the word “bar.” Ozaki and Lewis (2006) assert that the perimeter of American public bars are socially recognised thresholds, possibly a reference to the exclusion of those under 21 years of age. So, while this chapter has focused on Freddy’s ‘boundary’ (that is, the bar itself), there was also a barrier located at the entrance of the establishment. In contrast, the Australian-English users at Frank’s emphasise the public nature of the establishment (even though it too is off-limits to minors). This preserves the
term ‘bar’ for that which separates bartenders and patrons. This difference takes on increasing significance when considered in light of other language differences.

Frank’s was a “pub” open to the public but such openness did not apply to everyone in the same way. Jim, a bartender at Frank’s, reflected on this in relation to Frank’s and Australian pubs more generally:

“I guess pubs are a bit funny like that. They’re semi-technically public. Technically anyone can come in but they [pubs] do inadvertently create a space where some people feel more welcome and some people- you know, sometimes you walk into a pub and you go, ‘uhh, probably not really my pub’.”

Frank’s patrons, who presumably had decided that Frank’s was indeed their kind of pub, commonly used the term “bar” as a point of reference for discerning location within the bar room, as did the owners and bartenders. Participants referred to people or things as being “in front of the bar” (if located on the side accessible to patrons), “at the bar” (if one was close enough to the bar top to request a drink), or “behind the bar” (if on the side accessible to bartenders). The common use of the word “bar” subtly and consistently reminded participants of the barrier separating Frank’s bar room into two distinct spaces, one each for two distinct groups of people. Furthermore, an extension of the word “bar” was employed figuratively, in various instances. The term “barred” described the act of a bartender excluding a patron from the venue, when a patron decided Frank’s was their kind of pub and Frank’s bartenders decided otherwise. In other words, that which separated bartenders and patrons was invoked in the process of active exclusion of particular patrons.

In contrast, the word bar at Freddy’s was generally limited to referring to the venue. Whilst phrases relating to being in front or behind the bar may have resonated with Freddy’s participants, different language was often employed. Rather than working “behind the bar,” Freddy’s bartenders were instead referred to as working “behind the sticks,” with the “sticks” being the beer taps. Also, instead of being “at the bar,” Freddy’s patrons were often referred to as “sitting on the rail.” Further, the word “bar” was not invoked if a patron was excluded from the establishment. That is, the exclusion of a patron was not referred to as being “barred,” but being “eighty-sixed,” where “eighty-six” is a US
slang term “to eject or debar (a person) from [the] premises” (see OED). In many instances, subtle references to the physical barrier that separated bartenders and patrons were removed from typical dialogue. There was a pattern to these linguistic differences. Frank’s participants commonly referred to the barrier that separated bartenders from patrons, both literately and conceptually. At Freddy’s, in contrast, direct reference to any such barrier seldom found its way into the dialogue of participants. I assert this is because such a barrier did not exist.

In light of research that demonstrates correlation between language and spatial cognition, such patterns both reflect and, partially, explain different conceptualisations of space in each venue. That is, the language used at Frank’s, which commonly referenced the physical barrier (bar top) separating bartenders and patrons, reflected the common understanding of there being a conceptual barrier dividing the establishment into two clearly defined segments. Likewise, language used at Freddy’s removed reference to a barrier that have might otherwise separated bartenders and patrons. Rather, it reflected participant’s common perception that within the bar room was a negotiable and imprecise boundary between the on-duty bartender and patrons. Furthermore:

“As a collection of language users use their language system as a semiotic tool to construct and exchange their meaning in everyday activities...they may end up affecting their own social cognitive processes, thus setting themselves apart from others who use a different linguistic practice and contributing to the formation and maintenance of cultural differences between the collectives” (Holtgraves and Kashima, 2008: 83).

Taking Freddy’s and Frank’s participants as separate (at least, to some extent) collections of language users they have employed their language as a result of their perception of space. But in doing so they have been reinforcing these very perceptions, entrenching the spatial cognition of the collective in which they operate, maintaining the difference of this collective from other groups of language users. In this case, Frank’s participants expressed the notion of a barrier through language, thereby reinforcing such a notion. The same can be said for Freddy’s participants and their boundary.
Closing Remarks

The purpose of this chapter has been to introduce Freddy’s and Frank’s by representing both their broad physical similarities along with some of their meaningful differences. The major difference considered so far is how participants understood ‘space’ within each venue: Who was allowed where? How did they gain access? What were they allowed to do once there? Participants, whether patrons, bartenders or owners, took these ‘rules’ as a commonsensical and natural part of existence within the venue in which they operated. However, comparing these two venues demonstrates that these perceptions and the rules that accompany them were designed specifically for the context. Thrift (2003: 95) states that space “is not a commonsense external background to human and social interaction.” While participants may regard space as commonsensical, therefore, this ‘common sense’ extended only to those who had embodied local knowledge. Bourdieu (2002: 31) refers to this process of subconscious and embodied learning as habitus, generating “inventions and improvisations” which, in this case, manifested as ‘barriers’ and ‘boundaries.’ Furthermore, these inventions “develop[ed] with experience” (Hillier and Rookby, 2002: 7), from the point of view of each individual as well as for the group in which they operated. Freddy’s boundary and Frank’s barrier were collectively created but “subjected to structural constraints” (Bourdieu, 1989: 18), which in this case included access rights to the area behind the bar, architectural attributes and spatial language. These characteristics gave Freddy’s boundary and Frank’s barrier power and legitimacy, and are examples of what Bourdieu calls “structuring structures” (Bourdieu, 1979: 78; 1989: 18). They represented a particular mode of perceiving the world of Freddy’s or Frank’s, and fortified the accommodating mode of being within it.

These different spatial conceptualisations were reflected in the way people related to each other. For instance, they were relevant as I transitioned from a patron-researcher to bartender-researcher in each setting. As discussed in chapter 2, I worked as a bartender in both bars, each time toward the end of my participant observation, after having casually raised it as a possibility months prior. At Frank’s, I worked five paid bartending shifts. Lyle, part owner, declined my offer to work without payment, planned my shifts and set them in the roster,
provided me with a Frank’s t-shirt and gave me a staff discount on drinks. My inexperience meant I required assistance but I was accountable in the same way as other bartenders. This process converted me into a Frank’s bartender, which enabled me to cross the invisible wall. In contrast, I had only one Freddy’s bartending experience. Days before I was due to leave Freddy’s, and America, participants who I had come to know bought me drinks as parting gifts. Mitchell suggested I tend bar with him. Mitchell usually tended bar alone and let the patrons know the reason for my presence behind the bar. I did not get paid and most of the bartending duties remained Mitchell’s. Patrons knew I was not a Freddy’s bartender but rather someone allowed to act as one. I did not need to be converted into a bartender to cross the boundary into the Freddy’s bar area. My relationship with Mitchell, the on-duty bartender, afforded my entry. This chapter illustrates how the perception of space was associated with patterns of interaction. The different modes of social interaction at Freddy’s and Frank’s, and how they intertwined with economic exchange, is the focus of the next chapter.
Chapter 6: Social Interaction and Economic Exchange

In this chapter, I consider the intersection of social interaction and economic exchange between bartenders and patrons. In both cases, the ‘social’ intertwined with the ‘economic’ but in different ways. Freddy’s participants allocated their trust in those with whom they exchanged, whereas Frank’s participants placed their trust in the institutions that enforced the rules of exchange. Based on my observations of both bars I developed an analytical tool that I refer to as the Product-Price Nexus (PPN). The PPN assesses the relationship of products to prices, which I consider in relation to the sociality between those conducting transactions. At Freddy’s, participants exchanged money and alcohol informally. There was a lack of explicit rules regarding transactions (in other words, a weak PPN). Without the protection of formal and enforceable rules, Freddy’s bartenders and patrons became involved in high levels of social interaction so they could trust those with whom they exchanged. In contrast, at Frank’s, economic transactions were formalised and enforced with strict rules (a strong PPN). Social interaction between Frank’s bartenders and patrons was minimal, which participants perceived as ensuring appropriate application of the rules. The act of tipping took on a different role in each setting.

The reliance of bars on economic transactions generates little anthropological inquiry. Many researchers recognise that bars are social spaces but the commercial element of bars is largely ignored (although, see Hunt and Satterlee’s (1986) investigation into English pubs). Perhaps this is because where money is involved “anthropologists seem to surrender their formidable analytical tools” (Zelizer, 1989: 349). The avoidance of scrutinising commerce is not limited to the study of bars; Miller (1995: 141) notes the general “paucity of ethnographic research” relating to ‘economic’ activities. Nevertheless, failing to incorporate an economic dimension when studying bars begs redress, given the importance of trade to their financial viability. Generally speaking, owners require their bars to generate sufficient revenue to remain financially viable, which may be difficult amid competition. There were many bars within close

1 Substantial sections of this chapter have been published; see Burgess JF. (2013) The Product-Price Nexus and Social Relations. Human Organization 72: 76-85.
proximity to both Freddy’s and Frank’s, presenting choices to bar-goers and reminders to the owners to not lose sight of what sustains their livelihood. So, to the extent that bars are considered “another way of reproducing the social order” (Plecadite and Nagy, 2012: 15), part of that “social order” is clearly the commerce that sustains them.

This chapter focuses on the relationship between the level of formality of economic exchange and the amount of social interaction in Freddy’s and Frank’s. The structure of this relationship is different in each bar. Of particular relevance are the wages that were paid to bartenders in each setting. In accordance with the relevant laws regarding minimum wages, bartender wages were $US40 per 8-hour shift (equating to $US5 per hour) at Freddy’s and approximately $AUD20 per hour at Frank’s. Consequently, Freddy’s bartenders relied on tips from patrons for the majority of their income, whereas Frank’s bartenders received almost all of their income from wages paid by their employer. This difference can be understood in general terms, with reference to the socio-political conditions in which each bar operated. As outlined in chapters 3 and 4, a historical legacy of relatively powerful Australian wage-labourers in the twentieth century has led to income for Australian service-employees being derived almost exclusively from formal fixed wages. In contrast, it is typical for American service-employees to rely on tips for their income, since the US union movement was less successful in securing a fixed liveable wage. Therefore, this aspect of exchange within Freddy’s and Frank’s reflected the society in which they operated. This chapter examines some of the particularities of how that general difference was implemented by the participants in each bar.

Factors internal to Freddy’s and Frank’s were also relevant to the intersection of social interaction and economic exchange. In chapter 5, participants’ general understandings of space in each bar was considered, specifically the bar top and what it represented—a boundary at Freddy’s and a barrier at Frank’s. Given the anthropological understandings of what boundaries and barriers say about the relationship between those on either side of them (that is, boundaries represent engagement and barriers represent exclusion and

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2 As discussed, for the United States, see the Fair Labor Standards Act (1938). For Australia, see the Fair Work Act (2009). State laws also apply in both cases.
a lack of negotiation between the parties), such matters are relevant to any consideration of how social interaction intersects with economic exchange. It is through rules that behaviour “is either validated or ultimately overruled” (Block, 2012: 140). Consequently, economic exchange and social interaction are considered in light of these different rules regarding space, specifically the constant process of negotiation between individuals at Freddy's vis-à-vis the ‘us and them’ approach at Frank's. To that end, this chapter concentrates on how economic and social engagement intersected in light of these different external forces and internal factors.

However, despite these different forces acting upon and within each bar, the competitive forces with which Freddy’s and Frank’s had to deal were the same. The numerous other bars within close proximity to Freddy's and Frank's created something of a ‘market price’ for drinks. Jake, Frank’s part owner, noted that Frank's drinks were priced in accordance with nearby venues. David, Freddy's part owner, expressed a similar sentiment stating, “we’re stuck with what the competition has set their prices at.” On one level, it appeared owners could only have nominated prices somewhere within the narrow range provided by their respective markets. However, when comparing the construction of prices in each bar it seems clear that Smith's (1999 [1776]) “invisible hand” was not the only factor of influence. Alexander (1992: 91) argues that price should be understood in terms of “how it is used in everyday life to plan, execute, and justify economic decisions,” instead of simply how it regulates supply and demand. He notes that understanding price in this way can only come from ethnographic accounts. This chapter is one such account, involving an interpretation of price in terms of the products to which it related, in addition to how the characteristics of prices and products intertwined with the sociality of those effecting transactions.

I conceptualise this ethnographic comparison in terms of the informal economy literature that was the focus of chapter 4, but it bears mentioning that this chapter also resonates with research regarding ‘transaction costs’ (see, for example, Acheson, 1994; Ensminger, 1994). Ensminger (1994: 70) notes that transaction costs impede exchange and defines them as including “the costs of
gathering information, negotiating, monitoring and enforcing...contracts." As Freddy's and Frank's operations involved exchange with numerous and often anonymous people, there was potential for uncertainty regarding agreements. (Will this patron tip me? How is this bartender going to make my drink?) This chapter demonstrates that Freddy's and Frank's minimised this transaction cost in different ways. At Frank's, the solution was the standardisation of exchange via the application of rules. Freddy's participants reduced uncertainty by personalising relationships and establishing trust. When viewed in this way, an analysis of Freddy's has partial affinity with studies of peasant economies (see Geertz, 1978; Mintz, 1964), in which a lack of either information regarding trading partners or formal regulations to enforce agreements leads participants to establish personal relationships as a way to manage risk. Peasant and industrial economies are usually presented as incongruent (Alexander, 1992) but the comparison seems warranted in this case. Furthermore, collapsing the rigid distinction between market types accords with the increasingly popular position that "all markets, not simply peasant markets, are culturally constituted" (Alexander, 1992: 83).

It has long been contended that market forces do not alone organise economic exchange. Adam Smith, the so-called 'father' of economics—a discipline in which practitioners routinely artificially disaggregate economic and social activity in order to develop more manageable models (Frank, 1990; Kahnman, 2003)—discusses how self-interested actions are moulded by, and inseparable from, social context (Smith, 1759; see also Skinner, 2007). More recently, economic sociologists contend that "social organization serve[s] as crucial context for shaping individual action" (Zelizer, 2012: 147). DiMaggio (1990) goes so far as to declare that utility is derived not from the material elements of products but "the capacities of goods to locate the self and others in the social world" (1990: 124). Consistent with these assertions regarding the inseparability of society and economy, I argue that modes of exchange and production are inextricably bound with the level of social interaction between buyers and sellers. More specifically, I show Freddy's and Frank's products and

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3 Since this chapter examines sociality, exchange, and production in two bars, it complements the literature relating sociality and the consumption of alcohol. See, for example, Douglas (1987).
prices were associated with the level of social engagement between bartenders and patrons; trade, then, was not simply a function of market forces.

The Product-Price Nexus
Frank’s bartenders strictly applied drink prices. An interaction between Mark, a regular patron, and Jim, Frank’s bartender, clearly illustrates this. Mark was known at Frank’s for his gregariousness, which was encouraged somewhat as he personally knew the owners and bartenders in addition to being a “regular.” It seemed that people at Frank’s considered Mark’s endearing qualities to outweigh those that were less so. Mark’s disregard for social decorum did not undermine, but strengthened, his relationships with people at Frank’s. But even Mark’s ability to circumvent ‘the rules’ had its limits. When Mark bought some drinks from Jim that amounted to $20.20, Mark handed Jim a $20 bill (note). When Jim requested the rest, Mark asked that he not have to pay the extra 20 cents because that would result in him having to “break” another $20 bill. Mark pointed out that he was a Frank’s “regular” and acted as if it were unjust that he was being required to pay this additional amount. Jim, unmoved, shrugged his shoulders and told Mark that he was required to pay $20.20, as that was the price. Mark, with a look of exaggerated, almost comedic, disappointment gave Jim another $20 bill.

Such events drew my attention to the precise way prices were nominated and applied at Frank’s. I came to notice that Frank’s bartenders also produced drinks with exactness and consistency. These observations became more pertinent when I undertook participant observation at Freddy’s, where inconsistency and imprecision, with respect to prices and products, were the order of things. Considering observations from both bars together led to the development of the Product-Price Nexus (PPN), an analytical tool emerging from this research to help understand how the economic dimension of these two bars fit within bar life. PPN analysis involves deconstructing products and their prices to illuminate their degree of relatedness to each other. I undertake this analysis throughout the remainder of this section. This comparison demonstrates that Consumption (at least in the form of drinking alcohol) is not directly addressed in this dissertation.
Frank’s had a strong PPN due to each product being definitively linked to a price, whereas Freddy’s had a weak PPN as products and prices were only loosely connected. These strong and weak PPNs are considered analogous to operating within the formal and informal economy, respectively. To that end, in the next section I consider how this PPN analysis relates to social interaction.

**Price Structure**

Prices are not, as is presented in standard microeconomics textbooks (e.g. Gans et al., 1999; Waldman, 2004), an automatic result of intersecting supply and demand curves. Rather, the business owner must *construct* prices. This requires them to ask questions regarding the cost of production, the rate of product turnover, and risks associated with production and exchange. The business owner must decide what the price covers and who is to bear any “additional costs” (Agarwal and Bayus, 2002: 1029; Chintagunta, 2002: 151). The owner must ask several questions: How are prices to be levied? Are they to remain stable or fluctuate according to certain factors? Under what circumstances, if any, will discounts be given or surcharges applied, and how does that influence relationships with customers? What levels and modes of payment will consumers be comfortable with? What levels and modes of payment will consumers be comfortable with? The ‘price’ is the coalescence of such considerations and, thus, has a structure, which is often simply expressed as a number but is also culturally embedded (Alexander, 1992). For the purposes of this chapter, Price Structure is characterised in terms of three components: (1) Price-Specificity, (2) Price-Variability, and (3) Price-Coverage, each of which are considered below in relation to Freddy’s and Frank’s.

**Price-Specificity**

*Price-Specificity* refers to the precision with which prices of products are nominated and the rigidity with which such prices are applied. Frank’s prices were specific, with each drink individually and precisely priced. This is evidenced by the use of a “mark-up” (Eichner, 1973: 1184) approach, whereby the price was the outcome of a percentage being applied to the cost of each product’s production. As Lyle, Frank’s part owner, stated, “you’ve got a margin that you need to make to pay all the bills...so we have to set our alcohol at a
certain margin.” Accordingly, Frank’s prices reflected this precise method of calculation, with draught beers being $4.20, $4.50, or $4.80 (for a 10 ounce “pot”) and liquor starting from $6.50. Consequently, there was an almost perfect correlation between the cost of producing each drink and its price. Further, bartenders rigidly applied the precise amounts nominated by owners, even when it came to “regulars” such as Mark, keeping considerable coinage available to accommodate such specific transactions.

Freddy’s prices, in contrast, were general. Drinks were effectively placed into categories represented by a whole-dollar amount. Consequently, the majority of drinks were priced at $5 or $6 (for both liquor and 16 ounce “pints” of draught). David noted that prices cover costs and are “in keeping” with competitors. Regardless, the logic of approximation regarding pricing seems clear. The price of any given drink did not rigidly reflect its per unit cost of production. David suggested that such an approach is “easier [as] you don’t have to keep change in the register.” But he also noted the problem it created when it might have otherwise been appropriate to set price levels in between whole dollars, “...so then [instead of charging $5.50] you...raise some to [$]6 and keep others at [$]5.” There thus was no strict correlation between the cost of each drink and its price, as was the case at Frank’s Bar. Instead, prices were arranged for convenient exchange and at a level that generated sufficient revenue when considering the drinks range as a whole.

Price-Variability

Price-Variability refers to the degree prices vary and how such variation occurs. Frank’s prices were applied consistently regardless of the time of day, day of the week, or the number of drinks a patron purchased. There was one exception. During my fieldwork, Frank’s experimented by discounting its least expensive brand of draught beer if bought in a pitcher before 6pm, from Wednesday to Sunday. This single exception emphasises how limited price variation was. There was some differentiation in prices depending on who was buying the drinks but even then, within categories, prices were clearly set. Owners were not required to pay for drinks, on the basis that they already owned them. Bartenders received discounts of approximately 50 per cent. Finally, a select number of the
owner’s friends received discounts of approximately 40 per cent. These (13) people had their names listed behind the bar so bartenders were aware of to whom they should afford the discount. All other patrons, the vast majority of participants at Frank’s, were required to pay the nominated prices. All participants, then, were certain of consistent prices. The almost non-existent price-variation at Frank’s was consistent with the high correlation between drink prices and the cost of each drink’s production, suggestive of a strong PPN.

In contrast, Freddy’s prices varied considerably, providing further evidence of a weak PPN. All drinks were discounted by one dollar if bought before 8pm.4 Further, Freddy’s owners had a policy that bartenders did not charge patrons for every fourth drink, known as a ‘buyback.’ Bartenders, however, retained discretion and often gave buybacks at a higher or lower rate. While this variation may have been partly because bartenders did not record how many drinks each patron consumed, incorporating guesswork into the process, the major factor influencing the rate of buybacks a patron received was whether they tipped. Mitchell, Freddy’s bartender, stated, “you’re not gonna get one [a buyback] if you don’t tip me.” Other factors that Freddy’s bartenders said affect the giving of buybacks included the relationship they had with the patron. For example, Freddy’s owners and off-duty bartenders received buybacks at a relatively high rate. They tended to have a good relationship with the on-duty bartender and tipped more than most patrons.5 Bartenders also gave buybacks to a patron with whom they sought to establish a relationship, or if they wanted a patron to remain in the bar who might otherwise leave. (David suggested there was an “art” to giving buybacks such that a patron remained in the bar.) Patrons, in private, confessed to me their expectation of receiving buybacks, but typically considered requesting them inappropriate and accepted the bartender’s prerogative to offer them. Thus, the cost of a Freddy’s drink fluctuated, often

4 As further demonstration of how culture affects price, the fact that Freddy’s presented this aspect of Price-Variation in terms of being a one dollar discount before 8pm, rather than a one dollar surcharge after 8pm, is arguably as result of the latter being considered unfair (see Okun 1981: 170).
5 I use this example as it also highlights that Freddy’s owners and off-duty bartenders did not receive discounted drinks. They did receive preferential treatment based on their close relationships with the on-duty bartender, but so did patrons. The point is that owners and off-duty bartenders were officially treated in the same way as any other patron (by virtue of their relationship with to the on-duty bartender).
unpredictably, between standard prices, discounted prices, and occasionally being ‘free;’ there was, in other words, considerable Price-Variability.

**Price-Coverage**

*Price-Coverage* refers to what a specified price procures. Does a price represent the totality of costs to the consumer or is additional payment required (or effectively unavoidable)? At Frank’s, the price was the entirety of what a patron paid for a drink. Tips, money given beyond the price, were occasionally presented by patrons but were neither expected nor anticipated by bartenders. Emily, Frank’s bartender, was consistent with her colleagues in suggesting that tips were not something she considered necessary, since bartenders were “paid pretty well...the minimum wage isn’t exactly that low.” Frank’s patrons shared this attitude, regardless of whether or not they tipped. Carla, who belonged to the non-tipping majority, stated, “I’ve never really thought about tipping here.” Joanne tipped because she felt it was a “nice” thing to do but also suggested that such a decision was “up to the individual.” There was a general attitude that tipping was unnecessary, and it was rarely practiced. This indicates the only financial obligation was the nominated price, suggesting high Price-Coverage and consistent with a strong PPN.

At Freddy’s, most participants considered the price to reflect the material cost of the drink and overheads incurred by the owners, but *not* the bartender’s labour. Consequently, a tip almost always accompanied drinks. Mitchell stated, “the majority of people tip a dollar a drink because they know that they’re supposed to...because they know that’s how I make my money.” Indeed, many patrons tipped seemingly because they had taken the bartender’s income as their collective responsibility. Claudia, Freddy’s regular patron, stated that tipping “makes up most of their [bartender’s] wage.... It is not a gift, it’s an obligation.” Raelene, visiting Freddy’s on a one-off occasion, stated that she tipped “because you have to.” Tips were most often given following each drink purchase. However, patrons with an established relationship with the bartender often tipped one larger amount at the end of the bartender’s shift rather than several smaller tips throughout. In any event, it was exceedingly rare for a Freddy’s patron to not tip. Thus, despite not being a legal requirement, given the
regularity with which it was practiced and patrons’ reasons for doing so, it seems that tipping was effectively an unavoidable payment, of sorts, in addition to the nominated price. This indicates Freddy’s had comparatively low Price-Coverage.

**Product Structure**

Products, as with prices, are constructed. A product can be thought of as being constituted by its material elements but not limited to them. Generally speaking, the production process bears relevance for people, affecting their perceived relationship to, and valuation of, a given product. People may be concerned with how a product is produced (Guthman, 2002; Barnett et al., 2005) or where it is produced (Elliot and Cameron, 1994; Fischer and Byron, 1997). Therefore, it seems reasonable that a consumer may be concerned with whether they know the person producing the product. By extension, the relationship between the consumer and producer is relevant in terms of the product’s meaning and, thus, its structure. Accordingly, Product Structure is considered here in terms of two components: (1) the material product and (2) the system of production (particularly, whether that system affords consumers knowledge of who made the product). Parallel with prices, Frank’s products were standardised and consistent, whereas Freddy’s products varied in terms of material form and meaning to participants.

**The Material Product**

Frank’s drinks were consistent and precise. Most draught beer was sold in “pots” (10 ounces) or Imperial pints (20 ounces). Drinks were served in glasses that were machine washed and chilled. Bartenders took care to produce drinks with consistent “head” (the foam that accumulates on top of the beer) and avoided touching the top half of the glass so it remained pristine for the patron. Liquor was sold in one-ounce pours, produced with the use of “fixed pourers” such that each drink was identical. All drinks were produced according to the same standard, consistent across all material aspects, regardless of which bartender

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6 This was something I first became aware of during my first Frank’s bartending shift. The patron told me that my handling of the top half of the glass—albeit inadvertently—was inappropriate. This patron was also a bartender at a nearby venue so I took their statement to be intended as helping someone they quickly identified as an inexperienced bartender, rather than being demanding.
was pouring the drink or for whom it was being made. This was the case even when drinks were produced for Frank’s owners, or anyone else who received discounts by virtue of their friendship with the owners. Each Frank’s drink, then, was subject to several control measures.

At Freddy’s, draught beers were sold in American pint glasses (16 ounces) and inconsistently produced. Glasses were *hand*-washed. Although done according to health regulations, Freddy’s glasses lacked the sterilised state typical of Frank’s glassware. Further, glasses were not always chilled; some were placed under ice before use, but many were not. “Head” sizes varied, and glasses often fell shy of being completely full upon serving. This was easily visible to a patron even if the alcohol lost to them was negligible. Liquor was officially sold in one-and-a-half ounce pours. However, the “free pourers” used by bartenders resulted in the actual amount served being at their discretion, and amounts depended partly upon their relationship with the patron. Liquor amounts so regularly did not equate to one-and-a-half ounces that the phrases “long pours” and “short pours” were common parlance. Owners endorsed and themselves practiced such discretion. Kevin, Freddy’s part owner, even adjusted how many serves he expected to derive from a given level of stock because, as he stated, “bartenders tend to over pour.” Sometimes deliberately and other times due to the lack of a systematised production process (see below), no two Freddy’s drinks were the same.

*System of Production*

Frank’s drinks resulted from a rigid process of production. Once a patron finished using a glass, it was (1) collected by a bartender who stacked it on a tray with other glasses. When full, a bartender (2) placed the tray of glasses in a dishwasher. After washing, the glasses were (3) chilled. When required, the tray of chilled glasses was placed by the beer taps ready for (4) use by a bartender to produce a drink. Once produced, the drink was (5) delivered to the patron by placing it on the bar in front of them. This involved up to four bartenders, each of whom focused on a different part of the process. Consequently, no bartender was individually responsible for the final product, with most of those who contributed not present when a drink was delivered to a patron. This production
system involved a range of equipment and multiple bartenders, which were mostly beyond the sight of patrons. Therefore, patrons were not in a position to view drinks as anything but the material outcome of a systematised process, rather than embodying a particular bartender’s labour. 

At Freddy’s, the ‘production process’ was akin to hosting a party in a private residence. Bartenders often refilled patron’s glasses as they might have in their own home, removing the need for a systematised process. Freddy’s bartenders expressed resentment toward the idea of production controls, such as using “fixed pourers,” to enhance the uniformity of drinks. Phil, a Freddy’s regular, but also a bartender nearby, perhaps expressed this sentiment most succinctly by stating “fixed pourers are stupid. It takes the magic out of it. Every drink is unique.” Phil opposed the imposition of consistency regarding drink production, as bartenders did not just produce drinks but, rather, produced drinks for individuals that they know or may get to know. Furthermore, as only one bartender carried out this entire process and was personally responsible for all drinks produced, their labour was embodied in each patron’s personally tailored drink. Freddy’s patrons thus bought drinks from Freddy’s bartenders, whereas Frank’s patrons bought drinks from Frank’s Bar, which relied on a formalised process using anonymous labourers and machinery. Each production process impacted not only on the materiality of drinks but also how patrons were able to perceive them.

**Social Interaction**

At Freddy’s, much of a bartender’s time was spent interacting with patrons, whether or not they were considered a ‘regular.’ An example of this involved two patrons in their late 20s who sat at the bar (or “on the rail,” as it was often referred) and conversed with Mitchell, the bartender. One of the patrons was particularly active in generating conversation, but all three told jokes and discussed a range of things. The conversation did not involve personal information but nevertheless appeared jovial and effortless. After an hour, during which time Mitchell intermittently served other patrons, the two males momentarily left the bar for a cigarette. Mitchell took this opportunity to wash

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7 Friday and Saturday nights were the exception where typically two bartenders were on duty.
some glasses, bringing him near where I was sitting. Mitchell stated to me, “he likes the sound of his own voice,” referring to the most active member of the conversation. I replied that it seemed those patrons were his friends, but Mitchell said he viewed them as any other patrons. Mitchell implied they were appropriating much of his time yet he never displayed impatience; such was the importance of the social element of bartending. Indeed, he again actively engaged with them when they returned minutes later.

Such interactions contrasted starkly with those at Frank’s, where sociality between bartenders and patrons was relatively rare and actively avoided. On the occasions that a Frank’s bartender was unable to avoid conversing with a patron, it seemed more akin to passive acceptance of them rather than active engagement with them. Initial encounters were particularly telling. Frank’s patrons rarely introduced themselves to bartenders (a common occurrence at Freddy’s). When it occurred, Frank’s bartenders responded politely but tended not to encourage further discussion. In reference to a patron introducing himself, Neil, Frank’s bartender, later said to me, “you just know when someone comes into the bar, introduces themselves, and goes to shake your hand that, ‘you [they] are a psychopath.’” The following sections discuss the contrasting level of social interaction in each bar along with different perceptions of the bartender’s ‘role.’ These discussions are related to the PPN of each venue to demonstrate the inverse relationship between the PPN and levels of social interaction between bartenders and patrons.

**Interaction Between Bartenders and Patrons**

Interaction between Frank’s bartenders and patrons was minimal beyond that required for trade. Patrons typically began interaction by specifying the drink(s) they wanted, rarely prefacing their request with a greeting. The bartender produced the drink(s), often making assumptions (with regards to the size of the drink, for example) if the request was unclear, instead of inquiring further. During this process, pleasantries such as “please” and “thank you” were uncommon or given with indifference. Eye contact was atypical. The bartender quoted the price as they placed the drink(s) on the bar, and collected the money. The interaction was completed upon the bartender returning any change
required. Bartenders engaged in ‘small-talk’ should a patron initiate conversation but usually employed tactics to prevent discussion beyond this. Bartenders suggested to me that if a patron required too much attention they found a reason to avoid them, such as by feigning a need for cleaning. Off-duty bartenders, if they were drinking at Frank’s, usually preferred to converse with on-duty bartenders rather than socialise with patrons. Some of the bartenders avoided drinking at Frank’s altogether. Dale, Frank’s bartender, said he socialised elsewhere, stating, “I don’t want to start drinking with the people I serve.” Dale added that he preferred to keep that “barrier” intact.

Conversely, there was considerable social interaction between Freddy’s bartenders and patrons. Such interaction sometimes began before the bartender commenced his or her shift. Bartenders often spoke with patrons known to them as they first entered the bar, just as one might greet one’s friends. Regarding patrons approaching bartenders, Mitchell stated “many people introduce themselves right off the bat.” It was common for names and handshakes to be exchanged over the bar upon first meeting. Depending on how busy the venue was, a drink(s) request sometimes evolved into a conversation, occasionally even involving exchange of personal information from both sides. During this time, the bartender clarified any uncertainties in the drink request, placed the drink(s) on the bar, quoted the price, and noted any buybacks with the phrase, “I got your one.” The bartender also placed the change on the bar after payment. The patron would pick it up and return some or all of the money as a tip by placing it back onto the bar. Further interaction sometimes continued throughout the course of the bartender’s shift and, occasionally, beyond depending on their opportunities to converse and the dynamic between them. Although this relationship was usually limited to the venue, Freddy’s bartenders noted that some of their personal friendships stemmed from this process of interacting with patrons. It was usual for bartenders to drink with patrons during or after their shift, and it was not uncommon for each to buy the other drinks in the process. Further,

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8 Of note, Freddy’s patrons seldom left the change on the bar as a tip. Rather, almost always, the patron picked up the change and placed it back onto the bar, even when the change equated exactly to the tip amount. In this way, patrons were not (passively) leaving a tip so much as they were (actively) giving a tip. This is discussed further in chapter 8.
bartenders and patrons would sometimes discuss when the bartender usually undertook shifts, to enable future encounters.

This tendency toward higher levels of social interaction at Freddy’s than at Frank’s is partially explained by different financial incentives for bartenders. As discussed, typical of the nation in which each bar resides, Frank’s bartenders’ income was derived from employer wages whereas Freddy’s bartenders’ income was derived from patron’s tips. Thus, consistent with the arguments of Butler and Skipper (1980) and Paules (1991), it seems reasonable to suggest that Freddy’s bartenders had an incentive to interact with patrons that Frank’s bartenders did not have. But this explanation leaves much unaccounted for. It fails to explain why Freddy’s patrons sought and participated in social interaction more than Frank’s patrons. Further, regarding Frank’s bartenders, the lack of financial incentive may have taken away the impetus for them to socially engage with patrons, but it did not explain why they tended to actively avoid engagement rather than merely being indifferent to it. Finally, different incentives to elicit tips do not explain the different PPNs in each venue, although it reflected different levels of Price-Coverage. Such issues begin to be addressed by considering participant expectations regarding the roles of bartenders.

**The Role of Bartenders**

At Frank’s, the role of bartenders was generally considered so obvious that participants I asked about this usually replied “to serve drinks.” Manning’s reply regarding his role aptly represented his fellow bartenders: “Pouring beers. I don’t really see this as a service type role.” Bartenders seldom considered anything beyond serving drinks and maintenance of the venue as part of their job. As for service, Dale stated that good bartenders are “friendly but not familiar” with patrons, suggesting “distance” is useful as a bartender “might have to be a hard-ass one night.” In other words, bartenders may be required to take an authoritative role regarding a patron, and their ability to do so might be undermined by familiarity. Dale’s detachment from patrons was consistent with that of other Frank’s bartenders and further evidenced by his noting, “there are people in there everyday, and I don’t know their names.” Patrons, likewise, did not expect much from bartenders beyond drinks. Typically, patrons’ expectations
were for “prompt” service and that bartenders maintained the physical condition of the venue. In terms of anything akin to sociality, patrons suggested that a bartender’s role extended only so far as not being “rude.” This defined service negatively, by what bartenders should not do. Patrons rarely seemed to require bartenders to make a positive effort regarding social interaction.

In contrast, there were considerable expectations of Freddy’s bartenders regarding socialising with patrons. Mitchell stated, “bartending is having a conversation ready for someone who speaks more than three words to you....” adding, “bartending is creating an atmosphere” because without that, “then all they [the bartender] are providing is a drink and a chair, which isn’t very much.” Likewise, when I interviewed Edna, Freddy’s bartender, about her role, her entire answer focused on social interaction with patrons and how to tailor it appropriately. Freddy’s patrons shared these expectations. Angela, a regular patron, stated that the role of a bartender is, “entertainer, server, sometimes listener.” Likewise, Jess, another Freddy’s regular, noted that she is “more likely to return to a bar where the service is pleasant and personal.” When discussing the role of bartenders with Freddy’s participants, the word that most often arose was “attentiveness,” highlighting the expectation that bartender’s actively engage with patrons. It was occasionally the case that attentive bartenders sacrificed promptness. This sometimes resulted in longer wait times for drinks, but this never caused concern as expectations of Freddy’s patrons lay elsewhere.

**Trust**

This inverse PPN-sociality relationship can be partly understood in terms of Hart’s (1973) concept of Informal Economy and the trust people establish in each other amid an absence of formal rules. As discussed in chapter 4, informal economic activity is unreliable income generation in the “absence of bureaucratic ‘form’” (2000b: 151). It was originally used “to describe and explain the structural imbalances of urbanization in Africa’s transition from social democracy to neo-liberalism” (Hart, 2007a: 97). However, the concept is being increasingly applied to industrialised economies (see Donaghy, 2002; Hart, 1990; Leonard, 2000; McCrohan et al., 1991). While Frank’s bartender’s operated within the formal economy with their work and wages regulated, Freddy’s
bartender's operated, to a significant degree, within the informal economy, as tip income was not guaranteed and remained effectively beyond the reach of regulation (Anderson and Bodvarsson, 2005). Based on the description and analysis within this chapter, I assert that without formal structures provisioning sufficient income, or measures ensuring consistent drink production, Freddy's bartenders and patrons sought to establish trust in each other. Freddy's bartenders were not in a position to enforce tip payments but, through social interaction and the personalising of relationships, in addition to using their discretion in terms of drink production and levying prices, could develop the mutual trust that made it more likely tips would be paid. Similarly, Freddy's patrons could not ensure receiving well-made drinks, but could increase the likelihood of it occurring through developing a personal relationship with the bartender, in addition to tipping ‘appropriately.’

Frank’s bartenders did not face the uncertainty they might not be paid, nor did Frank’s patrons face the uncertainty their drinks might be “poured short,” because wages, products, and prices were set. Participants were able to place trust in the application of specific rules and, therefore, did not require trust in each other. Consequently, the requirement for social interaction between Frank’s bartenders and patrons was diminished. Furthermore, the development of personal relationships between them was avoided as this risked disrupting the application of these rules. Thus, a higher level of formality, evidenced in Frank’s case with a strong PPN, was associated with minimal social interaction for two reasons. First, the impetus to interact socially was taken away as the rules protected their material interests and consequently bartenders and patrons did not need to trust each other. Second, consistent with Zelizer’s (2011) “hostile-worlds” concept—the idea that people generally believe the social realm will corrupt the efficient workings of the economic realm due to favouritism and, thus, the two realms should be kept separate—Frank’s bartenders maintained their distance from patrons so that the certainty they enjoyed under the rules was protected.

There was, of course, some social interaction between Frank’s bartenders and patrons, but there was considerably less interaction than at Freddy’s, where
there was no certainty to protect and much uncertainty to ameliorate. Freddy's bartenders wanted patrons to pay tips so their labours were worthwhile. Freddy's patrons wanted buybacks and generously made drinks so their money was not wasted. Even though such behaviour was understood to be typical, neither party could force the other to fulfil these ‘obligations.’ Freddy's participants could only trust that those with whom they were dealing would do the ‘right’ thing by them. As Hart (2000a) notes, informal economic practices hinge “on the trust generated by shared experience, mutual knowledge, and…affection.” Freddy's participants generated “shared experience” and “affection” through social interaction so they could trust each other. Action that accorded with accepted norms, such as tipping and giving buybacks, established and reinforced trust. This is not to suggest that relationships always evolved successfully or were purely strategic efforts seeking material gain; bartenders did not need large tips, nor did patrons require generous drinks, to extend goodwill across the bar. Further, Freddy's bartenders insisted they could distinguish between patrons who simply sought buybacks and those with whom a ‘genuine’ relationship existed. Nevertheless, the informal exchanges that took place at Freddy's required trust between trading partners, a setting where sociality flourished.

Zelizer (2012:149) refers to this type of sociality as “relational work” and defines it as the “effort people make establishing, maintaining, negotiating, transforming, and terminating interpersonal relations.” A particular form of relational work, known as “earmarking,” describes a specific difference between the ways economic exchange intersected with social interaction in each bar. Earmarking is the mental demarcation of money, which Zelizer (2012) argues reflects and reinforces the structure and strength of personal relationships.9 Some Freddy's patrons referred to both “tip money” and “drink money.” Both forms of money derived from a patron’s cash on hand but, such was the strength of the social ties, regular patrons went to the mental effort of allocating some of their money to be given to a bartender and label it accordingly. Tip money was

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9 Recall, as discussed in chapter 2, that Zelizer opposes classical conceptions of money, put forward by Simmel (2004 [1907]), for example, and suggests money can potentially build relationships rather than necessarily erode them (see also Bloch and Parry 1989; Hart 2007b).
directly given to an individual bartender, separate from drink money, offering materiality to their personal relationship. In contrast, such earmarking did not exist at Frank's. On the rare occasion a Frank's patron tipped, the bartender immediately redirected it into a communal tip box. This severed the link that may have otherwise eventuated between bartender and patron, while potentially reinforcing the relationship between the patron and the establishment, Frank's. These different conceptualisations and usages of money exemplify my broader point. Formality, as expressed via PPN analysis, kept Frank's bartenders and patrons separate as they placed their trust in the rules of exchange enforced by the establishment. On the other hand, informal exchange necessitated social interaction between Freddy's participants so they could develop trust in each other, bringing them together.

Closing Remarks

My primary objective for this chapter was to demonstrate the inverse correlation between the PPN—the connection between products and prices—and level of social interaction in each bar. Frank's had a strong PPN, as there was a fixed connection between each product and its price; drinks were standardised with a comprehensive schedule of precise and specific prices, which were rigidly maintained by bartenders. Frank's strong PPN was associated with low levels of social interaction between bartenders and patrons, who sought to maintain ‘distance’ from each other. Conversely, Freddy's had a weak PPN; drinks were not standardised, prices were generalised, and pricing was applied according to each bartender's wont, with supplementary and varying ‘payments’ (tips) expected from patrons. Freddy's weak PPN was associated with a high level of social interaction between patrons and bartenders, leading to more personalised relationships and occasionally friendships. The difference between the two bars was not the outcome of participants belonging to different demographic cohorts, for that was constant between the two bars, but reflected the intersection between social interaction and economic exchange.

This different level of formality with which economic exchange was undertaken was largely an outcome of the political histories of the nations in

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10 This issue is taken up further in chapter 8.
which each bar operated. As discussed in chapters 3 and 4, the relatively strong bargaining position of Australian wage-labourers and the consequent political influence of the union movement led to the formalisation of income, whereby the employers were made to be responsible for supplying liveable fixed wages to their employees. The successes enjoyed by those reliant on fixed wages, and the concomitant regulations, supported the valorisation of formal transactions, which is what I observed at Frank’s. In contrast, the inability of the American labour-movement to penetrate the political process translated into lower minimum wages. The consequence of these histories is that Freddy’s bartenders were paid wages at a rate four times lower than their Frank’s counterparts. This necessitated Freddy’s bartenders to rely on tipping, an informal practice suiting the many approximations made during transactions at Freddy’s. While ‘norms’ developed (such as tipping and buybacks), in the absence of formal rules regarding transactions, Freddy’s participants sought to ensure their expectations were met by becoming familiar with whom they dealt.

The descriptions in this chapter are also consistent with those of chapter 5. At Freddy’s, bartenders and patrons regularly participated in high levels of social interaction. While this can be understood in relation to the form of their economic transactions, as argued in this chapter, it also reflects the negotiable boundary between them. At Frank’s, in contrast, bartenders and patrons tended to undertake minimal social interaction. While this can be explained in terms of not wanting to undermine the application of the formal rules of exchange, it is also consistent with the existence of a barrier between the two groups, keeping bartenders and patrons separate from each other. In Part IV, I turn to how these practices shaped the experiences of participants, particularly with respect to bartending and tipping. To that end, the next chapter expands on these descriptions by considering the nature of bartending work in each setting. I argue that the work of Freddy’s bartenders involves a great deal more to do with interacting with patrons than at Frank’s, which encourages bartenders in each setting to relate to their work in different ways.
PART IV: EXPERIENCE AND MEANING
Chapter 7: Bartending Work, Emotional Labour, and Income Structure

“You've got to keep both your customers and the owners happy. If your customers aren't happy with you, you're screwed. If the owners aren't happy with you, you're really screwed.”

- Nathan, Brooklyn bartender

“If someone is a prick to me when I'm working then they'll get shit service. I don't care. I'm still on twenty-something-dollars an hour. But if I needed their tips for income I suppose I'd have to be nice to them.”

- Nigel, Melbourne bartender

This chapter focuses on the work carried out by Freddy's and Frank's bartenders, and the emotional labour involved in its undertaking. On a superficial level the work done by each set of bartenders was the same—both produced drinks and maintained the venue. There were significant differences beyond this, however, particularly with respect to the ways in which bartenders were expected to relate to patrons. Relying on the ‘emotional labour’ literature, I argue Freddy's bartenders engaged with patrons and assumed considerable responsibility for the venue’s operations. In contrast, Frank's bartenders had far fewer responsibilities and discharged those relating to patrons by enduring them. In light of Azar's (2009) characterisation of the 'tipping-service puzzle' (recall chapter 1)—whereby Azar points out it is insufficient to consider why people 'voluntarily' give tips and researchers need to also consider why service-employees deliver service—this chapter examines what Freddy's and Frank's bartenders considered their jobs to be, how they carried them out, and the ways in which they related to them.

Simon lost his job six weeks into my participant observation at Frank’s. The owners had terminated his employment for breaking the rule against drinking while bartending. Simon had previously agreed to follow the rule but

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1 Nathan and Nigel were patrons at Freddy's and Frank's respectively, when they made these statements. Each was employed as a bartender near to those venues.

2 Substantial sections of this chapter are contained within a manuscript, titled Bartending, Emotional Labor and Income Structures, which is under review at the American Journal of Sociology.
still found himself accepting the “shots” of liquor occasionally offered by patrons.\textsuperscript{3} Other Frank’s bartenders reacted differently. Manning asserted that he refused to accept drinks because he wanted to stay alert. Jim also declined drink offers as, he said, he did not want to feel like he owed a patron anything. Besides, both commented, drinking while bartending was not permitted. Upon receiving reports from the on-duty manager about Simon’s drinking, Lyle, Frank’s part owner, replaced Simon with another bartender. Patrons did not seem to notice the change and Frank’s operations continued as per usual.

Xavier suggested within hours of my first visiting Freddy’s that he and I have a shot of whiskey together. It was 6.30pm. I was the only patron at the bar and asking Xavier questions to determine whether Freddy’s was a suitable site of comparison to Frank’s. He said, “do you want a shot?” I had, by this stage of the search, visited several Brooklyn bars and had received such offers before. Nevertheless, I had yet to become accustomed to it. “Uh, okay... What do you suggest?” I asked. “Here, it’s all about Powers.” Xavier then poured two shots of Powers Irish Whiskey. We raised our glasses in recognition of each other, said “cheers,” and then consumed our drinks. As it turned out, Freddy’s was a good site of comparison, for reasons discussed in chapter 2. Over time I saw how common were interactions like that first encounter between Xavier and I. Freddy's bartenders often bought drinks for, and accepted them from, patrons. Bartenders needed to make sure they did not drink too much for they were responsible for the venue, but drinking with patrons while working was both sanctioned and practiced by Freddy’s owners.

Gifting alcohol has been repeatedly demonstrated to be involved in social relationships in a range of cultural contexts. Barlett (1980: 116) argues that gifts of alcohol serve as a “starting mechanism” for, as well as a means for strengthening, social ties. Collman (1979) notes sharing liquor is a means of marking one’s affluence. Heath (1987: 109) describes gifts of alcohol as a

\textsuperscript{3} Frank’s patrons offering bartenders gifts of alcohol runs counter to the ‘barrier’ I argued existed in chapter 5, and the lack of sociality I described in chapter 6, between Frank’s bartenders and patrons. Such offers, however, were rare, particularly compared to the extent they occurred at Freddy’s. Instances of these offers at Frank’s were so few that I was unable to collect sufficient data to develop an explanation of their occurrence. Suffice to say that the instances I did observe of such gifting at Frank’s were late at night with the patrons seemingly influenced by alcohol.
“valuable way of building up social credit,” and Dietler (2006: 235) adopts a Bourdieuan tone by suggesting givers of alcohol accumulate “social capital.” Consequently, the “heavier drinking behaviors” exhibited by American bartenders (see Nusbaumer and Reiling, 2002: 736) can be interpreted, at least in part, as a result of their desire to build “social capital” among patrons. For Freddy’s bartenders, strong relationships with patrons were crucial to their livelihood, as it led to more custom (meaning more tips) and was also a source of job security. Freddy’s owners could not terminate a bartender’s employment without social and financial consequences, since the reason many patrons visited the bar was their relationship with the bartenders.

Furthermore, this difference between Freddy’s and Frank’s bartenders in their affordance to bestow and accept gifts of alcohol (along with their tendency to do so) fit within each bar’s broader system of exchange. As outlined in the previous chapter, bartenders at Frank’s rigidly applied set rules with respect to the production and exchange of drinks; patrons were charged fixed prices for drinks that were consistently produced. This precise system of exchange, I argued, eliminated the need for bartenders and patrons to develop relationships and undermined relationships that might have otherwise developed, as interaction was trade-based rather than socially orientated. At Freddy’s, in contrast, the production and exchange of drinks was conducted imprecisely. Bartenders retained some discretion over how to produce drinks and how much to charge for them. Patrons retained discretion in terms of how much to pay, since they determined tip amounts. Uncertainty on both sides, I argued, led to bartenders and patrons personalising their relationships to increase trust in each other. Beyond making drinks and tipping as expected, building trust also involved conversing and, as discussed above, exchanging gifts, particularly alcohol.

These different exchange systems were also associated with different forms of bartending work. Freddy’s bartenders’ income structure meant that money flowed directly from patrons to both the owners (payments for drinks) and the bartenders (tips). Frank’s fixed wage structure meant money flowed from patrons to owners, some of which was subsequently paid to bartenders. I
assert that these income structures, more than simply altering bartenders’ incentives (as it is often presented; recall, for example, Azar, 2004b; 2009; Holland, 2009; Lynn and Graves, 1996), influence the characteristics of bartending work itself on the basis that money transfers shape relations between people (see, for example, Zelizer, 1989; 1994; 1996). Notwithstanding the similarity of the primary function of bartending work—the production and sale of drinks, stock rotation and venue maintenance—there were four key differences between Freddy’s and Frank’s. These related to the style of ‘service,’ the generation of ‘atmosphere,’ the development of ‘relationships,’ and the maintenance of the venue’s ‘security.’ Analysing these differences highlights that Freddy’s bartenders held more responsibility than did bartenders at Frank’s, where owners and managers assumed more of these duties. Employed to perform different functions, Freddy’s and Frank’s bartenders negotiated their work in different ways, particularly with respect to their ‘emotional labour.’ Throughout this chapter, I argue bartenders’ particular responsibilities shaped how they approached their patrons, their employers and the job itself.

**Emotional Labour Literature**

Freddy’s and Frank’s bartenders utilised different forms of emotional labour to negotiate their particular roles. Hochschild (1983: 7) developed the concept of ‘emotional labour’ to describe a process whereby employees manage their “feeling[s] to create a publicly observable facial and bodily display,” for the benefit of customers, which arises as a direct result of the employer’s profit-orientated focus. Wharton (2009) describes two streams of research that have emerged out of Hochschild’s concept. The first is the study of interactive work, where emotional labour is studied to understand organisations and social relations within them; the second relates to psychological consequences of undertaking emotional labour. Ashforth and Humphrey (1993) point out that it is difficult to access internal psychological processes. Consequently, they focus on the *public expression* of emotions rather than what is felt, redefining emotional labour as “the act of expressing socially desired emotions during service transactions” (1993: 88-89). I rely upon this narrower definition, placing the analysis in this chapter within Wharton’s (2009) first stream of research.
Emotional labour is important to researchers and business owners, particularly in relation to service work (see Pugh, 2001; McCammon and Griffin, 2000). As Wharton argues, it is “part of the occupation itself; it is reflected in job expectations and requirements, the everyday performance of work tasks, and the structures and processes that govern how work is done and evaluated” (2009: 155).

Early research on the nature of work steadfastly focussed on the factory floor (see McCammon and Griffin, 2000; Walsh, 1997). Perhaps due to this legacy, Wharton’s (2009) first stream of research emphasises various organisational systems through which emotional labour is channelled. Initial studies often presented service-workers as being within a highly controlled environment, part of a routinised process, and having little opportunity for discretion (Godwyn, 2006). These included Leidner’s (1993) study of fast food restaurants, where the standardisation of employees’ emotional labour is portrayed as the service-sector equivalent of a product assembly line, and Macdonald and Sirianni’s (1996: 3) description of service-employees as the “emotional proletariat,” since they were devoid of power and forced into a display of friendly disposition. Other studies, however, demonstrate that emotional labour is not always so forced. For example, Paules’ (1991) descriptions of a New Jersey diner notes that waitresses, not employers, controlled customer interactions. Godwyn (2006) describes retail salespeople, who positioned themselves as experts or artisans, voluntarily partaking in emotional labour to develop customer relationships. Furthermore, Jenkins et al. (2012: 547) investigate “middle-range call centers,” which required unscripted interactions, and found “the emotional content of this work relies on workers’ discretionary judgment.” Emotional labour takes place within different organisational contexts, yet there has been little discussion of its potentially various forms. One exception is Cahill (1999: 112), who supposes people possess different kinds of “emotional capital” to undertake the “different forms of emotion work” required of different occupations. The idea that emotional labour assumes different forms is developed in this chapter.

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4 An idea adapted from Bourdieu’s (1984) concept of “cultural capital.”
Freddy's and Frank's bartenders operated within different institutional contexts and had different roles. This chapter outlines the different forms of emotional labour commensurate with these roles through descriptions of how bartenders executed their duties. Freddy's bartenders engaged with patrons to keep them coming back and approached patrons as individuals, while exercising autonomy over their own activities. In contrast, the emotional labour of Frank's bartenders involved enduring patrons, whom bartenders mostly treated as a homogenous group attracted by the owner’s marketing strategies. Furthermore, Frank’s bartenders typically did not have a sense of control over their activities or ownership over the outputs of their work but, rather, slotted in and out of Frank’s system of production and exchange. I will argue that the ways in which Freddy’s and Frank’s bartenders acquired their income (that is, via tips or wages) indirectly structured their work, and influenced their emotional labour.

Different ‘Bartending Work’

It is pertinent to reiterate and expand upon the general contexts, described in chapter 2, in which the bartending work I observed was carried out. Freddy’s and Frank’s bartenders were employed according to “non-standard work arrangements” (Kalleberg, 2000: 341; Kalleberg et al., 2000: 273), meaning they forwent the benefits of full-time employment. Freddy’s bartenders typically worked alone and were paid $USD40 per eight-hour shift plus tips, which usually ranged from approximately $USD50 to $USD400. Frank’s bartenders worked in up to teams of four (with one of the team nominated by the owners as the manager) and were paid approximately $AUD20 per hour, with shifts that ranged from five to eight hours staggered according to anticipated requirements. Consistent with Lloyd’s (2006) characterisation of bartenders, most Freddy’s and Frank’s bartenders used their earnings and flexible work schedules to accommodate other activities, such as tertiary study or various creative

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5 Two bartenders, however, were on duty each Friday and Saturday night.
6 Freddy’s shifts were either 12pm to 8pm or 8pm to 4am (close).
7 Owners collected tips, which were distributed among bartenders two to three times per year. Bartenders spoke of receiving amounts in the hundreds of dollars in those distributions but this constituted a negligible part of their overall income. As Manning asserted, “it’s [tips] certainly not why you’re working.”
pursuits. Yet, despite these bartenders’ financial and legal vulnerability and the power this potentially afforded their employers (see Pratten, 2004; Lucas and Ralston, 1997) both sets of bartenders and owners described a positive working relationship. In both places, bartenders stated they enjoyed, and thought themselves fortunate, to be working at such a bar and appreciated the efforts of owners to accommodate their personal circumstances. Consequently, staff turnover in both bars was low.

The major operational difference between Freddy’s and Frank’s laid in the pools of potential labour from which owners sourced bartenders. Freddy’s owners looked to regular patrons for new bartenders, and noted it was like picking from within a “family.” In contrast, Frank’s owners sought bartenders from their personal friendship networks, external to the bar itself. After five years of operations, however, Frank’s owners were running low on friends who were willing and able to work as bartenders, so they had started looking toward friends of those they already employed. Jim, Frank’s bartender, stated, “it’s only been recently that they’ve started employing people they didn’t already know really well.” This different recruitment approach—where Freddy’s owners converted ‘insiders’ from patrons into bartenders, while Frank’s owners brought in ‘outsiders’ to be bartenders—was consistent with differences in the type of work expected of bartenders and the relationship they had with their work, issues that are discussed throughout this chapter.

Despite these different sources of bartending labour, similar tasks were carried out in both bars. Importantly, however, these tasks were distributed differently among staff. At Freddy’s, the on-duty bartender carried out all tasks by themselves. If the owners were in the venue during this time it was more likely to be in the capacity of a patron, leaving the operations to the bartender. At Frank’s, bartenders had fewer responsibilities, with the remainder undertaken

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8 In each case, a minority of bartenders did not pursue such activities but still stated bartending was something that “will do for now,” rather than being a career.
9 At Freddy’s there was no turnover during my participant observation, but one (of the eight people that worked bartending shifts) resigned to pursue overseas travel soon afterwards. At Frank’s, in addition to Simon’s replacement, two bartenders (of the twelve people who were regularly rostered to work shifts) resigned towards the end of my participant observation to travel overseas. In both cases, Freddy’s and Frank’s had employed many of the remaining bartenders for several years.
by the owners and managers. The manager (a position with no equivalent at Freddy’s) was the person the owners placed in charge of operations. A part owner, Lyle described his perception of the role of manager in the following terms:

“I run everything to a formula. ...everything is there for them [the manager] just to make sure the place runs, so that’s basically what I want. I want the manager floating around making sure everything is doing exactly what it should be doing. Like a machine operator that’s got five machines under them that they don’t have to feed any material into, they just have to make sure that those five machines continue to run. That’s what I expect of the managers.”

One of those “machines” is the bar area and the work of the bartenders. With the exception of fundamental tasks common to both sets of bartenders—drink production, stock rotation and venue maintenance—each of the work tasks that were carried out in both Freddy’s and Frank’s is outlined below; this comparison demonstrates the different role of bartenders in each setting.

**Service**

According to Freddy’s owners and bartenders, service involved ‘attentiveness.’ In addition to fulfilling drink orders, service included anticipating and helping patrons in times of indecision and if they required assistance carrying drinks. It also involved remembering patron’s names and what they drank. Furthermore, Freddy’s bartenders often conversed with patrons—those they did not know as well as those they engaged with on a regular basis. A typical example of the former involved a patron who entered the bar because his car broke down nearby. He ordered a drink from Edna and a conversation between them ensued, lasting several minutes and covering a range of topics. Similarly, on another occasion, Marshall had a lengthy conversation with two British tourists although he knew he would not see either of these patrons again. Xavier stated, “whether it’s busy or slow, I talk to everyone” while he is bartending. Conversing with patrons was constrained by how busy the venue was but always remained a fundamental aspect of service.
In contrast, beyond the making of drinks, Frank’s bartenders tended not to consider ‘service’ as part of their responsibility. When Carla, a regular patron, asked me whether Australian or American bartenders accrued a higher income Manning, from behind the bar, interrupted with, “they’d earn more but I reckon they have to work hard for it, have to be nice to people. I prefer my set wages.” Carla replied, “but you’re nice to people.” “Not if I don’t already like them,” Manning responded. Manning did converse with patrons, such as Carla, with whom he was already friends but did not perceive such behaviour as part of his job. Manning’s fellow bartenders similarly denied any obligation to converse with patrons, even though they did converse with patrons they also happened to like. Rather, the obligation to be social rested upon the owners. Jake stated,

“...it’s really important that we [the owners] drink here and hang out here as much as we can, just ’cause a lot of people feel good to come in and see the owners hanging out with them... It’s a good feeling to walk into a place and...know the owners and stuff like that. [It’s] quite friendly and brings people back.”

Frank’s owners conversed with patrons more so than did Freddy’s owners, who tended to leave such activities to bartenders.

Atmosphere

Freddy’s bartenders were responsible for the ‘atmosphere’ of the venue. Mitchell said that a bartender should contribute to the atmosphere, adding, “people are buying something more than the alcohol...I feel people go to bars to have a good time. The bartender sets the scene for that to happen.” Bartenders influenced the bar’s atmosphere in many ways, including by way of their own demeanour, but a particularly crucial element was the music they played.\(^\text{10}\) Owners made employment decisions based on how bartenders added to the venue via their music playlists. David suggested that he needs to be “impressed” by someone’s music choices should he offer them a trial bartending shift. During a discussion about the possibility of hiring Nathan, Kevin expressed doubts because he had never seen anyone compliment Nathan’s music at his then place of employment.

\(^{10}\) As discussed in chapter 2, live music was played in Freddy’s band room most nights, and was the reason some patrons visited the venue. However, it was the bartender’s responsibility to nominate the music played in the bar room.
Good music playlists, he said, were crucial for a bar environment. The eventual decision not to employ Nathan was based, at least partly, on doubts about his ability to construct sufficiently popular music compilations. Such is the responsibility placed upon Freddy’s bartenders to create the right atmosphere.

In contrast, Frank’s bartenders were not seen as responsible for the atmosphere in the bar. The owners retained responsibility for this. In addition to socialising at Frank’s, part owner Jake’s main responsibility was to put together live music line-ups that generated a certain atmosphere by ensuring the bands complemented each other. Furthermore, owners used social media to construct an image of the bar designed to attract the type of people that they felt would contribute to the venue’s desired atmosphere. It was the managers who decided what recorded music was played in the bar room, decisions they made based on their personal preferences. Managers considered that their ability to nominate the music was a perk of their role. They selected from music located behind the bar, derived from owners’ and employees’ personal music collections. Managers received few music requests from patrons and did not seem to appreciate it when they did. On one occasion, a patron asked Dale to change the music to something “more lively,” suggesting Red Hot Chilli Peppers and Pearl Jam. Dale changed the music and stated, “Wanda Jackson11 it is. It’s lively, puts me in a good mood.” The patron made some disparaging remarks (to which Dale shrugged his shoulders), took his drink to the courtyard and left the venue soon after. The construction of an atmosphere with patrons in mind was not Dale’s responsibility.

Relationships

At Freddy’s, bartenders were responsible for developing relationships. First and foremost, this included relationships between themselves and patrons. Bartenders typically accrued a ‘following,’ whereby the patrons with whom they had the strongest relationships would follow them to another bar should they begin working elsewhere. So strong were these relationships that participants associated particular patrons with certain bartenders, as when Kevin asked

11 Wanda Jackson’s music stems from the late 1950s and is something of a mix of ‘country’ and ‘rockabilly,’ bearing no relation to the contemporary ‘pop rock’ the patron desired.
Mitchell, “it’s your guy that drinks this, right?” when referring to an uncommon brand of liquor, or Edna’s question to Peter (a regular patron), “I got you from Freud’s Bar?,” during a discussion about the closure of that bar and the fate of its regular patrons. Second, each bartender’s role extended to facilitating relationships between patrons; on several occasions bartenders introduced patrons they thought might appreciate each other’s company. Furthermore, as bartender-patron relationships were personal, not just trade-based, bartenders did not operate exclusively within their shift times. Bartenders often spent time before and after their shifts socialising with patrons; those due to begin at 8pm often did not begin serving drinks until 8.15pm or 8.30pm. This left the previous bartender to remain behind the bar until such time, but they too would often subsequently socialise with patrons. Bartender-patron relationships were not dictated by bartender’s official shift times. Rather, start and finishing times were made to accommodate personal relationships.

At Frank’s, bartenders were not required to develop relationships with patrons or between patrons. Lyle did note he has:

“been exceptionally lucky to have the dedication of people like Manning who...comes in here and, at the end of the day, he's just pouring beers but he puts so much effort into pouring beers. Manning’s taken on that thing of, during the day, getting people talking amongst each other...”

This recognition of “exceptional” good fortune due to one employee who, after years of bartending, on occasion facilitated discussion between patrons merely underlined that such activity was not standard for Frank’s bartenders. It was certainly not required of them. Indeed, bartenders tended to avoid interaction with patrons beyond that required for trade (as discussed above and in chapter 6). This fostered the temporal precision with which Frank’s bartenders undertook their shifts. Since there was no need for bartenders to demonstrate interaction with patrons as something that existed beyond trade, they did not

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12 Ocjeco (2012, 656) refers to New York neighbourhood bartenders introducing patrons to larger groups of regulars as making them “part of the action.” This too happened at Freddy’s. However, bartenders also created that “action” through the introduction of individual patrons, simultaneously facilitating relationships and generating a social atmosphere.
need to begin or end their shift socialising with patrons. They worked only the hours for which they were to be paid.\textsuperscript{13}

\textit{Security}

Freddy's bartenders were also responsible for ensuring the security of the venue and patrons. On-duty bartenders were expected to be in control of the venue, because otherwise, according to Mitchell, Freddy's "wouldn't be a safe place to drink; you're throwing...people in a room full of booze and tellin' 'em to play nice [so] there has to be some sort of regulation." This comment suggests that patrons respected the bartender's authority to control behaviour in a way analogous to a miniature version of Locke's (1690) social contract. This argument would see patrons accepting the authority of the bartender in return for a safe drinking environment. However, it seemed to me that the source of the on-duty bartender's authority stemmed from the relationships they had with patrons.\textsuperscript{14} It was these relationships that allowed bartenders to control the venue despite working by themselves. For example, Mitchell turned the music off when a problematic patron did not leave the bar when asked; this drew the attention of approximately 25 patrons toward the confrontation. The patron appealed to the crowd, "do you think I should leave?," which received a collective and emphatic "yes!" from the crowd stacked with people Mitchell knew. Mitchell then walked from out from behind the bar and ushered the patron to the exit. He later mentioned to me that turning the music off was a deliberate act to channel the crowd's support in removing the patron.

In contrast, Frank's owners hired security guards. Each night, two security guards stood at the entrance and periodically roamed the venue. They were occasionally also tasked, at the request of the manager or a bartender, with

\textsuperscript{13} Frank's bartenders usually began and finished their shifts 'on time.' Manning even suggested many bartenders had synchronised their watches with the clock on the point-of-sale operating system behind the bar, which was taken as the official time with respect to Frank's operations. On one occasion Nicole, who was due to start her shift at 9pm, started working at 8.47pm. (This event was so out of the ordinary I thought it worth recording.) At 8.50pm Nicole sat next to me at the bar as she had realised she had inadvertently started early and that her shift did not officially start for another ten minutes. She began (or, resumed) working at 9pm.

\textsuperscript{14} It could be argued, instead, that the source was indeed a miniature version of Locke's (1690) social contract and the relationships held by the on-duty bartender empowered them to exercise their concomitant authority. I suggest, however, that authority without the power to implement it is no authority at all. Hence, I put forward the source of Freddy's bartender's authority is their relationships with patrons, even if people do justify it in terms analogous to the social contract.
the physical removal of a patron. Such security measures did not require crowd support. However, Lyle noted how regular patrons did contribute to the venue’s security:

“[The] sense of security you get when you’re working here when you’ve got a night with regulars is unbelievable. Half of the shit that we pick up in the courtyard, whether it be someone smashing glasses, someone sleazing on women, someone causing a fight, someone doing something wrong, is not stuff that security or staff find. It is because someone who comes here all the time, *who loves this place and respects it*;¹⁵ comes in and says there’s someone out in the courtyard that is spray painting the wall…”

Crucially, Lyle sees regular patrons contributing to Frank’s security due to their relationship with the ‘place,’ not the bartenders. Also, in such cases, it was the manager who investigated reports of wrongdoing, with any enforcement required outsourced to security guards. Frank’s bartenders seldom had anything more than minimal involvement in this process.

**Forms of Emotional Labour**

Freddy’s and Frank’s bartenders were required to negotiate different work activities. Freddy’s bartenders were established ‘insiders’ when they commenced their employment, held individual responsibility for their activities, knew (or came to know) many patrons personally, and interacted with them on an individual basis. Franks bartenders were ‘outsiders’ recruited to put the bar’s production systems into effect, their activities defined by a fixed set of tasks and channelled by a division of labour. Frank’s bartenders did not need to get to know the patrons, illustrated when a patron asked Manning if “Brenda” had arrived. Manning replied that he did not know who that was, adding, “there are people who I’ve literally served thousands of drinks, possibly, and I don’t know their name. But, you know, I like to keep it professional.” This might seem to suggest that Frank’s bartenders were not required to undertake ‘emotional labour,’ as, while performing ‘service-work,’ they were not required to interact with patrons beyond that required for trade. Yet, Frank’s bartenders were still undertaking emotional labour, albeit a different form than that undertaken at

¹⁵ My emphasis.
Freddy’s. Furthermore, these forms of emotional labour were intertwined with how bartenders approached their work and their patrons in each setting.

**Engaging and Enduring**

Freddy’s bartenders performed emotional labour as they engaged with patrons. Mitchell noted that some of the stereotypes of a bartender’s role, “like therapist, confidante, friend, [shoulder] to cry on and all that,” were sometimes a lived reality. Bartending extended, however, beyond being there when patrons expressed themselves. It also involved participating in conversations and forming personal connections. Freddy’s bartenders would sometimes introduce me to “friends,” rather than “regulars.” This categorisation of friendship, rather than clientele, resulted from the personal connection between bartenders and patrons. Daria, a Freddy’s patron and bartender at a nearby venue, stated, “I have one guy that comes in every Monday and tells me all about his life and he knows all about mine. That’s a big part of the job.” In many instances, information and concern flowed in both directions between bartenders and patrons. Sometimes this relationship extended beyond the bar, but even when it did not Freddy’s bartenders suggested that this does not mean the relationship is not a close and genuine one. For example, Mitchell stated that Chevy, a regular, was one of his “favourite people.” Although their relationship was confined to Freddy’s this did not undermine its meaningfulness to them.

Freddy’s bartending, then, involved doing things with patrons, such as sharing conversations and alcohol, rather than only doing things for them, such as making drinks. One way in which Freddy’s bartenders did this was when they worked with difficult patrons to subtly encourage them to change their behaviour. On one occasion, for example, as Marshall noticed Jack, one of his regulars, enter the bar he told me that he would like to introduce us. Before doing so, however, Marshall cautioned me about Jack’s tendency to assert his perceived intellectual superiority over others, adding that Jack did this less than when he first started visiting Freddy’s. Marshall told me he had “been working on him [Jack] for about seven years.” This “work” apparently included discussions with Jack about how his behaviour could impact others, and has led Jack to adjust how he approached people. Marshall recognised how Jack's
character could adversely affect other patrons, but instead of denying Jack service or acquiescing to his moments of megalomania Marshall engaged with him, leveraged off their relationship and coaxed his behaviour into something other patrons found more agreeable.

In contrast, Frank’s bartenders’ emotional labour occurred in the form of enduring patrons. Most transactions did not require ‘engagement,’ as noted by Yasmin, a Frank’s patron, who described a typical interaction with a Frank’s bartender as “like, you get your drink and they walk away.” Nevertheless, when Dale referred to one week in which he completed six shifts, he stated, “energy wise it’s fine but mentally it’s just too much.” Dale’s mental exhaustion could not have stemmed from having to engage patrons because, as Jim noted, “you don’t have to be ultra nice to people that aren’t ultra nice to you.” Rather, it was a result of Frank’s bartenders having to endure patrons, having to muffle their resentment and serve drinks to strangers they thought were often rude and obnoxious. Frank’s bartenders did not have the benefit of knowing many of the people they served, which might have helped contextualise and refine patrons’ behaviours. This led to situations such as when, as other Frank’s bartenders did on many occasions, Emily noted she was having a “bad night” because of the ways in which patrons were behaving; she continued, “they’re not deliberately mean, but they just lack common sense and are rude.” Emily concluded that sometimes patrons behave in this manner and felt there was nothing she could do about it. Emily, instead, internalised her discontent and continued to perform her work duties.

The burden of enduring patrons with whom bridges were difficult to build manifested in a variety of ways. First, it was evident in bartenders’ statements of resentment regarding patrons, such as when Dale arrived at Frank’s to pick up a few personal items left behind during a previous shift. There were no patrons in the bar and Dale joked “so this is what it’s like when it’s not full of jerks.” Second, it could be seen in bartenders’ indifference to patrons, such as when Larissa noted she sometimes just takes money from the hands of patrons rather than quoting how much the drinks cost and waiting for them to hand over the cash,

16 Yasmin suggested this was typical of her experience with Australian bars generally, not just Frank’s. Whereas, she continued, “in the US it’s more about interaction with the customers.”
despite recognising “some people don’t react well to [that].” Third, it occasionally resulted in bartenders deliberately antagonising patrons; Graeme mentioned, “I’ve just started saying to people, who don’t say ‘thank you,’ ‘No worries, have a good night.’...just to piss ‘em off.” Bartenders seemed to carry a level of resentment toward patrons, for whom they undertook emotional labour by concealing that resentment (most of the time) and instead enduring patrons’ presence. This was a different type of emotional labour than the engagement evidenced at Freddy’s, but still involved “the act of expressing socially desired emotions during service transactions” (Ashforth and Humphrey, 1993: 88-89).

**Bartenders Relationships with Work: Senses of Ownership and Control**

Freddy’s bartenders had a sense of control over their activities and ownership over what they produced. For example, Mitchell, Freddy’s bartender, stated his efforts represented “more than...just want[ing] to keep my job. I want this bar to do well and I put of myself into it; I’ve always had a lot of myself in it.” However, this attitude did not translate into subservience. Mitchell also noted:

“I reserve the right to not serve anybody I want, can kick out anybody...that I don’t want here, that’s causing a problem, that’s giving anyone else a reason to not want to drink here... [If] I don’t want to make the stupid drink you just asked me for, I can just say no.”

David disagreed with the extremity of this position (a view that perhaps dated to his transition from bartender to owner) but acknowledged that on-duty bartenders control the venue and have considerable discretion over how they operate. This sense of ownership and control was made clear when it was unduly challenged. For example, on one occasion Mitchell had refused service to a patron who subsequently convinced part owner Marshall that he should continue to be served. Marshall then persuaded Mitchell to make the patron another drink. Later that week, Marshall apologised to Mitchell, admitting he should not have pressured him to continue accommodating the patron. Mitchell responded that he did not appreciate having his authority undermined but accepted Marshall’s apology. Marshall then explained to me that the on-duty

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17 They also displayed a sense of ownership over their employer’s equipment while on-duty; recall the discussion of Mitchell and the beer taps in the opening paragraphs in chapter 5.
bartender is in charge of the bar, and everybody else—even owners such as himself—should respect that authority, concluding, “whoever is behind the sticks [the on-duty bartender], it’s their show.”

In contrast, Frank’s bartenders did not have a sense of control over their activities or ownership of what they produced. Rather, Frank’s bartenders operated with a sense of detachment from their work. Jim perhaps best expressed this when he stated, “you know how the work is done and you just do it. You’re not so invested in it.” The owners facilitated this detachment. Lyle noted that, for bartenders he employs, “everything's laid out... I spend so much time each week just making sure they’ve got enough stock, they've got enough change... Everything is there for them to just get here and work. They don’t have to problem-solve.” By “work,” both Jim and Lyle were referring to the production and sale of drinks, stock rotation and maintaining the venue. Bartenders needed only to slot themselves into Frank’s production process, designed by the owners and monitored by the managers. Furthermore, as Frank’s bartenders worked in teams of up to four, each tended to focus on an aspect of the process; for example, one bartender collected and cleaned used glasses, another chilled the glasses and rotated stock, while another poured drinks upon request (as discussed in chapter 6). Consequently, Frank's bartenders were dissociated from the products of their labour. It is thus not surprising that bartenders, when responding to patrons’ questions, tended to refer to themselves as part of a collective, not as an individual. For example, if a patron asked about the beer selection, Frank’s bartenders’ replied, “we have...,” or if a patron sought to pay with a credit card the standard reply was “we only take cash but we have an ATM [cash machine] over there.”18 Frank’s bartenders were part of a larger whole and not in a position to assume individual control over their activities or ownership of their outputs.

Bartenders Approaches to Patrons: As Individuals or a Homogenous Group

The relationship of Freddy’s and Frank’s bartenders to their labour correlated with bartenders’ general approaches toward patrons, which in turn relates to the aforementioned forms of emotional labour undertaken in each setting. As

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18 Freddy's bartenders responded using the word “I,” instead of “we,” to the same questions.
Freddy’s bartenders were previously ‘regulars,’ they personally knew many of the patrons when they began working behind the bar. Most of Freddy’s patrons, then, were not ‘patrons’ as much as they were friends and acquaintances of bartenders. Furthermore, with respect to patrons whom bartenders met after beginning their employment at Freddy’s, the imprecise systems of exchange ensured they were thrown into a series of gift exchanges (including alcohol and tips), which opened up opportunities for building relationships and the generation of personal bonds. Freddy’s bartenders dealt with patrons on an *individual* level. What was of primary interest to Freddy’s bartenders, when interacting with a patron, was not her or his categorical status as a ‘patron’ but their relationship with that person and whether it was worth preserving, developing or otherwise. As one might expect, relationships between bartenders and patrons did not always develop positively. Bartenders inevitably found some patrons frustrating\(^\text{19}\) but such frustration did not seem to be extended to other patrons.

In contrast, Frank’s bartenders often had no prior connection to the bar or its patrons (they had, instead, a prior connection to the owners). Furthermore, bartenders were not required to familiarise themselves with patrons. The formal trade within Frank’s did not open pathways for social interaction, limiting the opportunity for bartenders and patrons to develop relationships. As a result, Frank’s bartenders generally approached patrons as a homogenous group. (“They’re just customers,” as the manager stated during my first shift.) Also, bartenders usually viewed patrons negatively, exemplified when Jake showed Dale, a Frank’s bartender, a picture he placed on the bar wall; it had a caption that read, “you’re all a bunch of fuckheads.” Dale stated, “that’s me at 1 o’clock [am].” He then pointed to where the patrons would be standing and added, “all fuckheads!” This view seemed to stem from bartenders attributing the inconsiderate behaviour of particular patrons to *all* patrons, made possible by their perceived homogeneity. For example, Jim reflected, “you might get one out of every fifteen or one out of every thirty that are real rude to you and I feel bad

\(^{19}\) In extreme circumstances, bartenders referred to such patrons as “punishers.”
because that might affect how I deal with everyone else.”

There were patrons who bartenders knew personally and those relationships usually appeared cordial, but that typically resulted from their mutual connection to the owners, relationships that often originated outside the bar. These selected patrons were treated individually. However, most patrons approached bartenders without a pre-existing relationship with them, or the owners, and remained anonymous; these patrons were “wallet[s] waiting to be emptied,” according to Lyle, and without personal identities in the eyes of the bartenders.

The Consequence of Income Structure

This chapter contributes to the literature on comparative work by identifying distinct work outcomes across national boundaries but offering an explanation beyond broad national factors. Kalleberg (1988: 205) notes that differences in work outcomes are often explained with reference to either national culture or “political and other institutional forces.” Recently, however, several authors have demonstrated the relevance of other factors. For example, Askenazy et al. (2012) compare the work of French and American cashiers, explaining French cashiers’ higher pay and productivity in terms of both union efficacy and different shopping practices. Russell and Thite (2008) consider Australian and Indian call centres, discovering that workers in Indian firms were subjected to greater management controls. The authors suggest the driving force behind this difference were the sources of employees—Australian university students, who sought casual employment to bolster their income, compared to Indian university graduates, who were seeking to establish a career. Allahyari (2000) discusses the different relationships volunteer workers of two social service

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20 Supporting my argument of bartender’s homogenisation of, and generally negative view toward, patrons is their labelling of them as “punters.” Numerous bartenders noted that the term “punter” encompassed all patrons, but subcategories of punters also existed. These included, for example, “regular punter” and “random punter” (which applied to patrons who appeared to the bartenders to be out of place at Frank’s). The word punter usually carries a negative connotation, describing gamblers, clients of sex-workers, and victims of scams (see OED). A typical characteristic of a punter is desperation, for which those ascribing the term have a certain disdain. For that reason, Manning conceded that while it was a term commonly used by bartenders it was also a term rarely used in front of patrons, except perhaps during interactions when bartenders deliberately sought to undermine them.

21 Lyle made this statement during an interview with an undergraduate anthropology student for the purposes of an assignment, which I later acquired.

22 For example, Hyman (1994: 2) points to “national industrial relations systems,” themselves a product of “historical traditions [and] learned patterns of behaviour.”
agencies had with the urban poor they served, with workers in one imposing a “client” status upon recipients, while workers in the other identified recipients as “guests.” Allahyari (2000: 4) explains this difference in terms of “variation in [the] moral personhood of volunteers.” In the same fashion, this chapter compares bartenders in Brooklyn and Melbourne and reveals that Freddy’s bartenders in Brooklyn held more responsibilities, had greater autonomy and undertook emotional labour via engagement with patrons, rather than enduring patrons as was done at Frank’s, in Melbourne. Below, I explain these differences in terms of how bartenders were paid in each instance.

The income structures of Freddy’s and Frank’s bartenders are reflective of each nation. They also led participants in each setting to construct different roles regarding bartending work. The quotes with which this chapter began illustrate different perceptions of to whom bartenders were responsible. Nathan, the Brooklyn bartender, considered himself responsible to the bar’s patrons and owners. He derived income directly from his patrons, which drove his concern for service, atmosphere, relationships and security. However, it was his employers who provided him access to the means of producing such outputs (a venue stocked with alcohol and a capacity to legally sell it), without which Nathan would not be in a position to generate any income. In contrast, Nigel’s comments, based on his experience as a Melbourne bartender, suggest that the shape of this reconfiguration of work depends on the source of the service-employees income. Nigel derived his income from his employer and did not perceive much responsibility to patrons. Nigel, as per Frank’s participants, defined his role as a bartender according to the tasks his employers were able to define, set and monitor, tasks that did not include the active generation of patrons’ goodwill. This also applied to Frank’s patrons. For example, Kathy, a Frank’s patron, had similarly narrow expectations of Frank’s bartenders when she stated, “they’re paid to serve you drinks, they’re not paid to smile.” Nigel’s comments also implied, however, that a shift in his income source from employer wages to patrons’ tips would likely result in a shift in his responsibilities.

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23 The literature extends beyond that discussed here. For example, Bosch and Lehndorff (2005) point out gender relations, including matters such as family structures, as a relevant consideration and Walsh (1997) demonstrates that sector specific factors, such as technological and competitive demands, can overcome national influences.
This argument relies on a particular conception of money, what it means, how it can represent and reconfigure relationships and perceptions. Money is not merely a “medium of exchange,” as typically suggested within economics textbooks (for example, see McTaggart et al., 1999) but reflects and reinforces social relationships, accommodating their “potentially infinite scope” (Hart, 2001: 321; see also Bloch and Parry, 1989; Zelizer, 1998). It is not that people simply seek to overcome the often-supposed rationalising, homogenising and anonymising influence of money—forces asserted by those drawing on ‘classical’ conceptions of money, originally put forth by theorists such as Simmel (2004 [1907]) and Marx (1978 [1927])—but, rather, that people incorporate money into their lives, giving it meaning and using it to structure sociality. In other words, money supports particular relationships and meanings that are enabled by both individuals and collectives (Hart, 2005b). As with all social objects, the meaning of money in any given instance “depends on its use and context” (Carruthers and Espeland, 1998: 1386). Indeed, the very capacity of money to accommodate multiple and ever-changing meanings is a major source of its power; Hart (2009: 140) notes that money’s “power comes from the fluency of its mediation between infinite potential and finite determination.” As a result of its fluidity and capacity to support and structure a wide variety of relationships and meanings, “people routinely use monetary transactions—as they do other cultural media—to create, affirm, represent, challenge, or overturn their social ties” (Zelizer, 1998: 1378).

Viewing money in this way explains the effect of income structure on the definition and negotiations of bartending work. Freddy’s bartenders received a constant flow of funds directly from patrons, giving materiality to their relationships and imposing responsibility upon bartenders, which they discharged by ‘engaging’ with patrons. Equivalent effects also result from where money does not flow (see Carruthers and Espeland, 1998). At Frank’s, money did not flow between bartenders and patrons, resulting in a different set

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24 As generally discussed in chapter 2, with specific examples given in chapter 6.
25 A view supported by experiments by Gneezy and Rustichini (2004), which show that payments of money change how people view work, which in turn influences how they undertake it.
26 The relative lack of money flowing from Freddy’s owners to bartenders weakened the link between them, affording bartenders greater autonomy. This, however, was curtailed by the fact that the owners controlled access to the means of production.
of responsibilities. Patrons paid money only to the owners, who then paid wages (and even tips) to bartenders. There was no monetary connection between bartenders and patrons and thus there were no commensurate responsibilities between them, with each group being largely indifferent to the other. As part of their responsibility to their employers, Frank’s bartenders ‘endured’ patrons in negotiating their relatively limited, but specifically defined and highly controlled, range of duties. Consequently, consistent with Zelizer’s (1996) denial of money’s neutrality, this comparison demonstrates that income structure was an important factor in the characterisation of bartending work and how it was negotiated.

**Closing Remarks**

Emotional labour existed in different forms at the two bars. For Freddy’s bartenders it involved ‘engaging’ patrons, whereas for Frank’s bartenders it involved ‘enduring’ patrons. These different forms of emotional labour were accompanied with different types of bartending work; Freddy’s bartenders had more responsibilities than their Frank’s counterparts. Furthermore, Freddy’s bartenders exercised more autonomy and had a greater sense of ownership over their outputs, compared to Frank’s bartenders. At Frank’s, the owners retained responsibility for much of the work in the venue and instituted systems for bartenders to follow and managers to maintain. Different income structures within each bar, although inherited from their host nations, resulted in money flowing differently throughout each venue. At Freddy’s, money flowed from patrons to both owners (drink payments) and bartenders (tips). This created a link between bartenders and patrons consistent with their personalised and individually based engagement. At Frank’s, money flowed from patrons to owners, some of which then flowed onto bartenders (in terms of wages and tip distributions). Consequently, bartenders had a greater sense of responsibility to following owners’ directives but no direct sense of responsibility to, or interest in, patrons. This comparison supports my suggestion that these different money flows facilitated distinct owner-bartender-patron relationships, configurations that supported different notions of bartending work and the emotional labour
required for its negotiation. It was from within these contexts that tipping took on its meanings to participants.
Chapter 8: Tipping at Freddy’s and Frank’s

This chapter focuses on what tipping meant to Freddy’s and Frank’s participants, particularly patrons. While ubiquitous at Freddy’s and something with which all participants actively engaged, tipping at Frank’s was rare and seldom considered. This was evident from the outset of participant observation. Frank’s bartenders were curious why I chose their bar to examine tipping practices; Jim’s statement, “if you want to study tipping you might want to go somewhere else, ‘cause we don’t get many tips here,” represented a typical view. However, Frank’s tip jar accumulated about $AUD500 per month, which equated to approximately 2.5 per cent of employment expenditures over the same period. This means that, on average, $AUD16 per day made its way across the bar top into Frank’s tip jar. Strictly speaking, not all of that money came from ‘tips’ as defined in this dissertation—money given to service-employees—as some of it was a result of patrons discarding loose change, making it money left rather than money given. Dale noted, “its funny when you get people who pay and don’t wait for their change. When you go to give them their change and see them walking away, I think ‘you don’t want your change?’ I don’t think, ‘that’s a tip’.” Nevertheless, other Frank’s patrons did tip as per the definition. The meanings of these tips, those deliberately given rather than monies left behind, are compared here with what tipping meant to Freddy’s participants.

This approach of explaining tipping by way of what it meant to givers and recipients differs from the tipping research outlined in chapter 1. Those approaches often develop functional explanations of tipping in terms of participant characteristics and the particulars of a given service encounter (such as bill size, perceived service quality, gender of participants and the weather). Such factors are ascribed the status of ‘independent variable’ and correlated against a measure of tipping behaviour, proclaimed to be the ‘dependant variable.’ Statistically significant relationships between these variables are assumed to represent causality and hence explain tipping. This approach leaves no scope for considering what tipping means to those involved, except perhaps
as a reflection of perceived utility. However, the act of tipping meant something to Freddy’s and Frank’s participants, with those meanings varying across and within each venue, and this is vital to understanding tipping decisions. Consistent with Sutton’s (2007) assertion that an act of tipping goes beyond the functional to also be a symbolic and communicative vehicle, I will discuss the various meanings of tipping to Freddy’s and Frank’s participants and how such meanings shed light on why and how patrons tipped.

These meanings of tipping are presented within four categories. These categories will be discussed separately but are not discrete. There is fuzziness between them, which accommodates shifts in what tipping meant to an individual as their position within the bar changed and their relationship with bartenders evolved. Nevertheless, discussion here focuses on the four categories themselves, which are as follows. Social Tipping involved those who tipped as a result of a perceived categorical difference between themselves and the bartenders, one that could be addressed, or maintained, by tipping. Individual Tipping is tipping done as part of a direct exchange between a particular patron and a bartender. Relationship Tipping included money given by a patron on the basis of a relationship that had developed over time; this covers relationships between Freddy’s patrons and bartenders as well as between Frank’s patrons and Frank’s Bar. Comradeship Tipping involved patrons giving money to bartenders out of a perceived categorical equivalence between them, such as when a patron was also an off-duty bartender. Despite the porous boundaries between these categories they are discussed separately in order to highlight the specific features of tipping’s multiple meanings, and how such meanings played out in each context.

These categories are constructed with reference to the historical narrative, developed in chapters 3 and 4, and ethnographic descriptions, from chapters 5, 6, and 7. In addition, the literature on gift exchange, something that has received considerable anthropological attention (Appadurai, 1986b), is drawn upon. I take a broad view of gifts as something “transferred from one person to another as part of, or in anticipation of, a social relationship” (Carrier,

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1 Although, the paradox is that to accept tipping represents utility gains requires one to suspend the realisation that the act of tipping itself is a violation of the assumption of utility maximisation.
Gifts include not only material objects, such as money and drinks, but also time and labour (consistent with Belk and Coon, 1993; Carrier, 1990b). The literature has tended towards the idea that gifts and commodities—things ‘given’ and things ‘traded’—are ideal archetypes, neither existing in absolute form. Everything that can be transferred may shift between being a ‘gift’ or a ‘commodity,’ depending on context. Nevertheless, the gift-commodity dichotomy remains useful as it illuminates features of the exchanges discussed here. Tips took on various combinations of gift and commodity specific to the situation, which was shaped by historical legacies, the characteristics and modes of being in each bar, and the particularities of the relationships between each bartender and patron. Just as a gift is not only something that changes hands but “establishes or confirms a relationship between people” (Sykes, 2005: 1), a tip at Freddy’s or Frank’s was more than a payment of money for service (and sometimes it was not that at all). What a tip represented, what it is given for and the consequences of it being given were dependent on the multi-layered context, reflected in the amount tipped and how it was transferred. A consideration of the gift exchange literature is required to better appreciate these various transfers.

**Gift Exchange Literature**

Malinowski (1932 [1922]), through descriptions of the Kula ring in *Argonauts of the Western Pacific*, proposes the concept of the “pure gift,” which he characterises as giving without obligation or expectation of return. It is synonymous with how industrial societies had come to perceive gift giving, outlined in Carrier’s (1990a) consideration of the “ideal” gift. Some authors have suggested that Malinowski’s concept of giving without expectation of return is one that developed from within industrialised societies as the chasm between certain aspects of social and economic life widened, particularly those relating to production and exchange (Carrier, 1990a; Miller, 1987; Parry, 1986). Malinowski (1962 [1926]) subsequently retracted the concept of the “pure gift” in favour of explaining gifts in terms of reciprocity, or as part of “give and take” relationships between individuals. In his revised concept, Malinowski focuses on the material elements of transfers themselves, with actors described as seeking to benefit from exchange. This has led authors such as Hann (2006) to argue that
Malinowski’s characterisation of gift exchange, whilst on one level an argument against the economists of the day (since it involved a functional mode of material distribution distinct from Europe’s market-based mechanisms), embraced the economic paradigm on a deeper level; they note that Malinowski’s “use of reciprocity was quite consistent with economistic insistence on calculation and utility maximization” (2006: 221).

Hann (2006: 221) suggests that Marcel Mauss, rather than Malinowski, is the “founding figure” of the study of gifting. Mauss’s (1990 [1925]) The Gift, an ethnological essay relating to gift exchange that incorporates Malinowski’s descriptions from Argonauts, poses the question, “[w]hat power resides in the object given that causes its recipient to pay it back?” (1990 [1925]: 3). Mauss answers this question by supposing a “spirit of the gift” that makes the gift inalienable from the giver. The essence of this argument is that material exchange results in something more than resource distribution; it creates a bond between the giver and receiver, on an individual or group level. Mauss argues that there is a universal obligation to give, receive and reciprocate, which leads him to suggest that the principles of gift exchange are relevant also to industrialised societies. It is due to these innovations that Mauss is often credited as introducing the concept of gift exchange to analysis of early-twentieth century industrial society. That said, Liebersohn (2011) points out that Mauss did not so much introduce the concept of gift exchange to Europe as much as he re-introduced it. Eighteenth century thinkers paid much attention to gift exchange and its role in colonial expansion, but nineteenth century scholars found it “difficult to comprehend” (Liebersohn, 2011: 19) amid the dominance of market-based production and exchange (see also Carrier, 1994; Parry, 1986). Nevertheless, contemporary anthropological research into all modes of exchange stems from Mauss’s insight.

Douglas (1990) points out that Mauss intended for The Gift to bear on public policy by making known that market-based exchange was not the only way people related to each other and to society (see also Hart, 2007b). It is ironic, then, that Mauss’s attempt to highlight the importance of non-market exchange consolidated the emergence of two distinct archetypes of society—
‘commodity society’ and ‘gift society.’ Polanyi’s (2001 [1944]) *The Great Transformation* is perhaps the most iconic manifestation of this distinction. In that book, Polanyi argues that industrial societies had shifted away from gift exchange, based in religion, politics and kinship, and toward commodity exchange, which operated according to market forces. There is evidence for these different social archetypes, not least the alienation that wage labourers experience in relation to what they produce (Carrier, 1992; Marx, 1978 [1927]; Miller, 1987). However, the sharp distinction posited by these archetypes has never existed. Offer (1997: 451) suggests that, given the extent to which gift exchange does take place within modern societies, “the great transformation’ into market exchange remains incomplete.” Regardless, Polanyi (1968) further solidified this artificial divide by positing a disciplinary division of labour for each social structure. For Polanyi, *economics* is the appropriate basis to examine market-based societies and *anthropology* is best placed to study societies grounded in gift exchange.

Contemporary researchers are left to grapple with the legacy of a sharp distinction between gift (society) and commodity (society). Sahlins (1972) expands upon Mauss by characterising different forms of reciprocity, including generalised, balanced and market reciprocity. In the process, Sahlins seemingly captures economic principles of trade in anthropological terms. While Sahlins’ approach could be seen as a way of side-stepping the gift-commodity dichotomy, most research on exchange relies upon, or at least engages with, a supposed sharp distinction between gifts and commodities, codified by Gregory (1982: 100-101):

“Commodity exchange is an exchange of alienable objects between people who are in a state of reciprocal independence that establishes a quantitative relationship between the objects exchanged... Gift exchange is an exchange of inalienable objects between people who are in a state of reciprocal dependence that establishes a qualitative relationship between the transactors.”

Gregory (1997) insists these definitions, often used as the basis for defining two distinct social forms, represent ideal types with which to approach analysis, not blanket characterisations of reality. Still, the distinction mandates an artificial
starting point. It remains a problematic basis on which to build and maintain social structures; for example, Hyland (2009: 113) notes that legal systems in industrial societies have been unable to fit gift exchange into their schemas, resulting in gift exchange often being legally represented as commodity exchange. Likewise, I demonstrated in chapters 1 and 2 how researchers have characterised tips only as commodities, despite their gift-like elements. This is a result, at least in part, of creating an artificial distinction between supposedly pure forms of gifts and commodities.

Researchers have made various attempts to overcome the problems of approaching exchange in terms of gift-commodity distinction (as exemplified by Carrier, 1992). Appadurai (1986a) moves away from considering objects as either gifts or commodities and focuses on how the relationship between an individual and an object evolves; in the case of wedding rings, for example, an object that was once a tradeable commodity becomes “singularised” and uniquely bound to the person that possesses it. Things themselves are thus presented as having social lives that move between categories. Similarly, Carrier (1990b: 580-581) considers exchange in terms of “the sort of relationships of which they are a part,” arguing that an important aspect of exchange is whether a person “possesses” an object.2 ‘Possession’ refers to a relationship of identity between the person and the object that allows for objects to shift status, taking on, or losing, qualities of ‘gifts’ or ‘commodities.’ These shifts in the qualities of objects are a result of deliberate action. Carrier (1990a: 25) notes that people appropriate objects—they “break-in,’ alter or transform what they buy, further stamping it with the[ir] identity” (see also Werbner, 1990). Pertinent to tipping, Gregory (1980) and Tenhunen (2008) show that such processes apply to money, which can be personalised as effectively as any other anonymously manufactured object and in this way is capable of moving between gift and commodity status.3 These authors demonstrate the categories of ‘gift’ and ‘commodity’ to be porous, affording a more nuanced description of exchange.4

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2 This is distinct from ‘ownership,’ which refers to legal status.
3 This is consistent with Hart’s (2005, 2007b) and Zelizer’s (1998) conceptualisation of money, discussed in chapter 1, which asserts that money can be used to build relationships instead of necessarily eroding them. Furthermore, money does not need to be ‘appropriated’ in order to become a gift. For example, the transfer of money to charity could be considered a gift without
Other researchers deal with the gift-commodity distinction by moving away from thinking about gifting in terms of exchange. Graeber (2011: 90) notes that most of the literature on gift exchange “assum[es] that whenever one gives a gift, this act incurs a debt, and the recipient must eventually reciprocate in kind.” However, some authors argue there are instances whereby reciprocity is not required. For example, Belk and Coon (1993), in their study of romantic relationships, move away from gifts as necessarily being part of an exchange, and discuss gifting as a way to “reveal and celebrate powerful emotions” (1993: 393). Coleman (2004), in his study of a Christian denomination known as “Faith Christians,” constructs the notion of the “charismatic gift” and suggests that giving can be “orientated towards extending aspects of the ‘inner’ self beyond cultural and physical boundaries...establishing connections between the human subject and forms of sacralized objectification” (2004: 424). Coleman argues that people give to the Church without expectation of return, material or otherwise. Belk and Coon (1993) and Coleman (2004) are not suggesting that gifting is practiced without reward; in both cases there was indeed reward, but this was contained within the act of giving itself. While these arguments are consistent with the broader literature that gifting reflects relationships, the two studies

the need for that money to first be appropriated. The process of appropriation, however, may help a given transfer of money be distinguished as a gift, as opposed to a payment, if the context (such as a public bar where transactions are commonplace) would otherwise make it unclear.

4 Bird-David and Darr (2009: 305) take a different approach at dealing with the gift-commodity dichotomy. Rather than considering the way in which objects shift between categories they consider “mass-gifts,” objects which are given to consumers “in massive volume [with] the same kind of gift...given to a large number of customers.” Such objects are taken to represent both commodities and gifts and therefore can not be understood in terms of either category. Other attempts at reconciling the gift-commodity dichotomy are less appealing since they introduce other concerns. For example, Davis (1972: 408) constructs four “sub-economies,” including the “market sub-economy [which] is governed by laws of commercial trading...and includes all transactions in service and commodities” and the “gift economy [which] is governed by rules of reciprocity.” While this approach breaks down the distinction between types of societies it recreates that distinction within each society. Another example involves Bell’s (1991) attempt to unify both ideals by characterising commodity exchange as specific type of gift exchange, distinguishable to the extent it takes place under a different set of rules. This suggestion that exchange is characterised by the rules in which it takes place is something I have been developing throughout this dissertation; however, Bell’s (1991: 155) approach ultimately involves explaining exchange in terms of utility maximization and “relative gains from trade.” This approach ignores Mauss’s key insight that (gift) exchange needs to be understood as more than material distribution, considering also how such distribution creates and recreates relationships. As such, Bell’s attempt is consistent with the “nothing but” approach (in this case, the approach that there is, in essence, nothing but economics underlying exchange) that Zelizer (2000; 2011) has demonstrated as inappropriate for social research.
show that gifting does not always necessitate reciprocity when the act of giving helps the giver achieve their ideal self and relationship with another.

Regardless, the literature overwhelmingly suggests that giving comes with an expectation of reciprocity. But within this general principle of giving, receiving and reciprocating there is scope for a wide range of variation. When does one give? What is an appropriate gift? How does one present the gift? How does one receive a gift? How and when is reciprocation expected to take place and what form should it take? Even if Mauss's basic principles are taken as universal, the literature discussed here demonstrates the answers to these questions are situated firmly in the context in which exchange is carried out. That is, exchange is subject to local rules, which may vary in terms of their formality but are nevertheless constructed for and by the context in which they are applied. It is for this reason that Beatty et al. (1991) suggest gifting is a way to fulfill personal values acquired through a process of enculturation. Likewise, Cheal (1986: 423) notes gifting behaviours are evidence of value systems and "an indicator of conventional morality." Beyond this, Carruthers and Espeland (1998: 1394) note that "the meaning of the gift must be appropriate to the relationship," suggesting the particular individuals involved in an exchange are relevant in addition to broader factors. Consequently, the meaning of what is transferred in one circumstance takes on a different meaning in another. To that end, tipping's various 'gift' and 'commodity' combinations are outlined in the next section with reference to variations in circumstance (including the situational context and the relationship at stake). These underpin the various meanings of, and reasons for, patrons giving money to Freddy's and Frank's bartenders.

**Categories of Meaning**

This analysis of categories of meaning takes as a starting point that tips given at Freddy's and Frank's possess various combinations of 'gift-ness' and 'commodity-ness,' at least from the perspectives of those involved in their exchange. This approach contrasts with Paules's (1991) study of waitressing in a

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5 This points to the inaccuracy of Sherry's (1983: 157) suggestion that researchers in anthropology have neglected the motivations and strategies of gifting, in favour of "examining prescribed rules of exchange." It is evident that anthropologists have long been concerned with both strategies and rules of exchange, as I have been throughout this dissertation.
New Jersey diner. After considering Malinowski’s discussions of gift exchange, Paules (1991: 43) writes:

“Despite these parallels, the ritual of tipping differs from gift exchange in an important respect. As noted, the exchange of gifts demands that something given be returned with something of equal value. But what the waitress gives, namely service, cannot be described as a gift, for a gift is by definition voluntary (ostensibly at least), while the delivery of service is a formal duty of the waitresses job. For this reason, the transfer of a tip is more accurately compared to unilateral gift-giving than to gift exchange.”

This aversion to considering tips in terms of gift exchange seems to stem from Paules’s reliance on both Malinowski’s initial concept of the “pure gift” along with his revised view of gifts, based on an economic version of rationality. I, instead, take the view of gift exchange more recently put forward by authors such as James Carrier, who consider exchange (gift and commodity) to represent the particular type of relationship between those involved. Gifts need not be voluntarily given6 (Carrier, 1991) and are to be understood in terms of the extent to which the giver possessed what they exchanged (Carrier, 1990b). On this basis, patrons’ tips are categorised in terms of the degree to which they were possessed when given and how that created, or recreated, a relationship with the person who received it.

Social Tipping

What I refer to as Social Tipping occurs when the meaning of money given to bartenders is primarily linked to the social context in which it was given. Of course, all tips were related to the social context. Those tips described in this sub-section, however, related more directly and explicitly to the social context than others. Of most relevance is where the patron perceived himself or herself to be socially positioned, in a categorical sense, in relation to the bartender (rather than having a personal relationship with the bartender). Chapters 3 and 4 outlined the social contexts in which patrons’ perceptions developed. In the US, bartenders, as with all other service-employees, were insufficiently powerful to

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6 Freddy’s and Frank’s bartenders did, in any event, have considerable discretion over service-delivery (see Chapter 7) and thus, arguably, were not coerced into giving service.
secure living wages and became reliant upon patrons in order to accrue an income. Freddy's patrons, then, due to a historical legacy of American citizens promoting, or at least accepting, free-market principles, were placed in a position of responsibility with respect to bartenders' incomes. Tipping, in this context, took on the meaning of fulfilling one's social responsibility. In the Australian context, bartenders, along with all other wage-labourers, amassed sufficient political power to mandate that they be paid living wages, and thus did not require the support of the patrons they served. Frank's patrons, due to the success of the union movement over the past century, were free from financial responsibility towards the Frank's bartenders that served them. Tipping was not perceived as required at Frank's, and the tipping that did take place acquired a different meaning, which nonetheless sometimes related to making a statement about one's position in society.

Etta, Freddy's bartender, noted the “tipping norm [is] a dollar per drink,” observing further that, “if they're just getting a drink and they're not looking for good service, they just want their drink and they just want to go sit down with their friends, they leave a dollar.” Freddy's bartenders considered this amount acceptable, and still made themselves available to, and engaged with, such patrons during their brief interactions. But such interactions often extended only as long as it took a patron to place a drink order and the bartender to produce it. Many of these patrons placed their tips on the bar after effecting the transaction. This usually involved taking money from the change the bartender placed on the bar, with the patron selecting some or all of that change and moving it toward the bartender's side of the bar top. Patrons tended not to 'leave' the change on the bar as a tip, but collected the change and then 'gave' a tip in the same motion. Patrons, in this way, took possession of the tip given. Freddy's bartenders actively avoided watching such patrons place these tips on the bar top. Only after the patrons had left the bar area, sometimes within moments but occasionally not before hours had passed, would the bartender collect the tip. Consequently, it
was unusual for either the bartender or patron to acknowledge a tip had been given.7

These patrons who tipped according to the ‘norm’ seemed conscious of their responsibility to offset the lack of bartenders’ wages. Chloe ordered a drink, for which she tipped a dollar. We spoke and I learned she had not previously been to Freddy’s, was using it as a place to meet her friend, did not know the bartenders, and had no intention of returning. When I asked why she tipped, Chloe replied, “it would be rude not to. It’s just what you do. I’d never thought about it before. It’s just a social expectation.” She then mentioned she was aware that bartenders were paid little in terms of fixed wages and put that forward as a likely reason for her decision.8 Another instance involved Adrian, someone who occasionally visited Freddy’s but did not consider himself a ‘regular.’ Asked why he tipped, Adrian stated, “cause that’s what you do. That’s what’s done here. Also, that’s how bartenders make their money. Without tips they don’t earn anything...I've always tipped the standard dollar a drink.” Many patrons, particularly those with loose and fleeting relationships with Freddy’s, stated they tipped because they were expected to. Such patrons were fulfilling the responsibility they felt given that the system in which they lived supported a minimum wage widely deemed unliveable. Even though such obligations were not legally imposed upon people, to deny such obligations “denies the social relationship with the other party, and hence violates public expectation and private belief” (Carrier, 1991: 123). Such violations regarding tipping at Freddy’s were not accepted quietly. Although rare, if a patron did not tip, or tipped insufficiently, Freddy’s bartenders would openly reveal their discontent about being “stiffed.” For example, Etta told of me a situation where a patron tipped 50 cents, to which she responded, while in the presence of other patrons, “I don’t

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7 A few Freddy’s patrons appeared uncomfortable with the subtle and non-explicit mode of giving and receiving tips, and made their tip known to bartenders who would then respond by thanking the patron. This was rare, however. Mostly, tips were given subtly and silently, without acknowledgement. This general absence of thanking patrons for tipping reinforces the idea that such tips were expected, and, as such, did not warrant a “thank you.” This is particularly pertinent in light of tips that took place at Frank’s, where tips were never expected but always acknowledged by bartenders thanking the patron.

8 That said, many patrons expressed acknowledgement that bartending was often quite lucrative, once tip receipts were taken into account. However, I did not hear anybody use this understanding as a justification for not tipping.
know where or when you're from, but it has been a dollar tip per drink since 1970.”

Social Tipping at Freddy's, then, involved patrons recognising an obligation to bartenders as a category of worker, which they usually adhered to and reaffirmed with each one dollar tip. They acquired this obligation in the context of a society traditionally devoid of minimum wage regulation capable of ensuring adequate wages. Etta, however, also noted that some patrons, usually those who themselves had had service industry experience, tended to tip more than the 'norm' because “they actually know how hard you're working.” Patrons' comments support this. For example, Jess, a Freddy's patron and waitress at a nearby restaurant, stated, “generally speaking I'll tip two dollars per drink at a bar...it's customary to tip a dollar a drink, but I feel like going the extra mile.” Similarly, Miranda stated she makes a habit of tipping more than the standard one dollar per drink in bars, drawing on her own experience as a service-employee. As she explained, “I've worked in places where I would work an eight-hour shift but the shift pay is just 40 bucks. Am I going to work eight hours for 40 bucks? No....Its just part of the culture. You tip here.” The meaning behind Miranda's and Jess's tips is still related to social obligation, but they tended to tip more than the 'norm,' since they had a heightened sensitivity to that obligation, due to their service-industry experience.

In contrast, Frank's patrons did not perceive a relationship of socially mandated obligation toward bartenders. The lack of requirement for Frank's patrons to tip bartenders implied some socially recognised categorical equivalence between people of the two groups. It seemed, however, some patrons tipped out of a sense of unequal status between themselves and Frank's bartenders. Jim, Frank's bartender, spoke of how he perceives such patrons:

“I think there’s a lot of people that tip and have that, kind of, sort of, generous nature about them...they're kind of into...karma and stuff, kind of into, ‘be nice to people and they'll be nice to you’ kind of thing. There are definitely some that I can think of that are just really friendly people; the sort of people that you know are never going to be any trouble or anything. And then I think there’s definitely some that like to do it as a sign of affluence. Yeah, cause I think the former, they generally just do it,
they don’t say anything, or make much of a scene about it, they just do it. But then, there’s people that definitely like to buy their drinks, or whatever, and just make a - This is the way I read it sometimes, like they’re sort of saying, ‘I make more money than you’, you know, ‘here’s me giving you something’.

In this statement, Jim characterised two types of motivations for tipping—one a charitable motivation and the other seeking to deliberately communicate, or perhaps create, a status differential between the bartender and patron. While Jim appeared relatively content receiving tips from patrons he placed in the former group rather than the latter, both types of tipping constructed a difference between Frank’s bartenders and patrons.

Joanne tipped regularly and is a typical example of someone who did so out of a sense of charity. Joanne was a Frank’s regular and made a conscious effort to tip each time she visited the bar; she represented a small contingent of patrons who tipped out of a sense of distributive justice. Joanne appreciated that minimum wages were relatively high compared to the US, stating “it’s not like America, there you have to tip.” Yet at the same time Joanne appreciated that bartenders’ wages in Australia were still the minimum and took it upon herself to make a small contribution in order to rectify what she perceived as an inadequate distribution of income: “I know that hospitality wages are so low...so I’m happy to contribute money, you know, to go above their wage.” Joanne’s employment involved helping those less fortunate and this had carried over into her interaction with service-employees, with tipping those on minimum wage consistent with her overall mode of being. In this process, each time she placed money in the tip jar and gave money to people of a type she considered less fortunate, Joanne reinforced a differentiated status between herself and bartenders. Such tips were not given to individual bartenders but to all who operated within the category of ‘bartender,’ because of what patrons such as Joanne perceived as their relatively low income.

Manning, Frank’s bartender, corroborated Jim’s identification of the other motivation for tipping. Manning stated:

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9 This was similar to the type of charity Hermann’s (1997) garage sale shoppers sought to avoid by insisting they pay for the items they desired instead of accepting them as gifts. Frank’s tip jar makes unwanted charity difficult to prevent.
“Sometimes I think non-regular customers, I don’t know, maybe I’m just a suspicious guy who assumes the worst in people, but sometimes I imagine they have, kind of, creepy motivations for tipping as a way to kind of impress people with their lack of care about their money.”

Although no patron ever gave this as an explanation for why they themselves tipped, bartenders held the perception that some patrons tipped as a way to demonstrate their sense of superior status. Some bartenders suggested that such tippers were the type of patrons who would not regularly frequent Frank’s, usually seeking other forms of bars. Emily described them as “corporate” types. Manning described such patrons as “arrogant tipper[s]...they’re just saying, ‘I want you to know that two dollars [and] fifty [cents] means nothing to me’.” Such patrons were not tipping by virtue of their personal relationship with Frank’s bartenders, for they did not have that kind of relationship with them. However, similar to those who tipped out of charity, such patrons were tipping due to their perceived elevated social (and financial) standing compared to bartenders. These acts of tipping, as is possible for other types of gifting (see, for examples, Marcoux, 2009; Sherry Jr. et al., 1993), ascribed an inferior status on Frank’s bartenders. At least, this is how bartenders perceived such tips. Given the lack of evidence supporting any other explanation for these types of tipping, the perception may well be justified.10

**Individual Tipping**

Some tipping related to more than a patrons’ perceived position within wider social structures. Certain instances of tipping, which I refer to as *Individual Tipping*, reflected individual interactions and dynamics between a patron and bartender. In these cases, it was the particular dynamics between the individuals directly involved that were of primary relevance. Such dynamics, of course, were built upon and within the social positions established for these individuals from the outset of their association. They were further shaped by factors relating to established modes of being in each venue, including rules relating to space (see chapter 5), exchange (see chapter 6), and the general expectations of a bartender’s role (see chapter 7). Nevertheless, when it came to *Individual Tipping*

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10 That is, tipping was not an expected part of the bartender-patron interaction at Frank’s (see chapter 6), nor did tipping attract better service (see chapter 7).
Tipping, the meaning of tips did not so much stem from being money given by a patron to a bartender but that money given was from a particular patron to a particular bartender. The particularities of each dynamic varied, but the meaning of tipping in such cases revolved around the relation between the parties involved (whether that be fleeting or durable), or, in some instances, the relationship desired by those involved. The meanings of tipping varied somewhat with these various individual dynamics.

Some Freddy’s patrons tipped certain bartenders more than the one dollar per drink ‘norm’ because of the dynamic between them, or the dynamic they were seeking to establish. For example, Angela noted, “I could tip less and they’d [Freddy’s bartenders] put up with that, but you build a rapport. ...I tip two dollars a drink here because...they take care of me,” adding that she tips less at other bars where she does not have any specific connection to the bartenders. Tanya noted that she tipped two dollars per drink at Freddy’s, “because they’re my family and they’re awesome...I like to take care of them.” Similarly, Ian stated, “you tip more here because they’re your friends and you know them.” Higher tip levels were associated with varying levels of personal connection to the bartenders, more common among regular patrons but not limited to such. Some new patrons also tipped more than the ‘norm’ in order to establish a connection with a bartender. It was an effort bartenders tried to acknowledge and build upon. Mitchell said that, when it comes to new patrons, bartenders made efforts to remember "drinks and names," adding this was a good way of improving the bartender-patron dynamic and increasing tips: “If you don’t remember, it’s not like they won’t tip you. But if you do they love it, and they might tip you two dollars.” Patrons valued being remembered by bartenders; it was evidence of their individual association. For example, Spencer stated he tips Mitchell because, “he remembers my drink. He makes it my way,” adding that he is insulted when bartenders fail to remember such things. Tipping more than the norm, in addition to conversing and sharing alcohol (as discussed in chapters 6 and 7), affirmed and was an investment in that individual connection.
Beyond tips as means to establish and maintain individual connections—what Offer (1997) refers to as “regard”—patrons who partook in *Individual Tipping* were also conscious of the material benefits of tipping above social requirements. Jess, Frank’s patron, explicitly referred to the material benefits of tipping at a slightly higher rate:

“It means you’re going to get better service, like, they have control over how much alcohol they put in your drink. ...At a bar, the same person is making your drink and serving you your drink, so if you establish yourself as a good tipper from the very beginning of your evening, um, you’re going to fare better; they’ll make your drink stronger, they’ll make sure you get your drink faster, they’ll buy you back a drink.”

An example of Jess’s suggestion involved Katelyn, a Freddy’s patron, who frequented Freddy’s with some regularity but did not consider herself a ‘regular,’ nor did she feel she knew the bartenders beyond recognising, and being recognised by, them. Katelyn tipped “two or three dollars” on her first drink to establish a connection with the bartender and found that she was typically “looked after,” in the sense that she received each third drink as a buyback. Katelyn understood that tipping one dollar per drink is expected but tipped slightly more to establish a connection with a bartender and attract preferential treatment.12

Many Freddy’s patrons for whom the meaning of tips related to a connection to individual bartenders often sat at the bar (or, “on the rail”). These patrons typically placed cash on the bar top, using it to pay for drinks as required. As they sat there, these patrons constructed a second pile of cash, made up of “tip money.” This second grouping of cash sat next to the patrons’ original monies but slightly closer to the bartender. In this process, some of a patron’s money was converted into a bartender’s tip. Further, it was the type of tip that

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11 That ‘regard,’ Offer says, “can take many forms: acknowledgement, attention, acceptance, respect, reputation, status, power, intimacy, love, friendship, kinship, sociability” (1997: 451).

12 Additional, albeit somewhat unusual, evidence of patrons being aware of the material benefit of tipping more than the norm involved a patron drawing a picture while sitting at the bar, which remained on the bar as he left the venue. Mitchell then picked up the drawing and gave it to me. Within the picture was a statement, “Free Beer at Freddy’s Coming Soon*.” The asterisk lead the viewer to another statement, smaller in size, which read, “there will never be free beer, but if you tip well...” Mitchell pointed out the fine print and said, “he does tip well and he does get free drinks, so there you go.”
indicated a personal link between that particular patron and bartender. The patron was slowly relinquishing ownership of the cash that was edged closer to the bartender. Yet, these patrons retained ‘possession’ of it during this process, as they retained a relationship of identity with the tip money as it sat next to their personal cash and remained within their control. Bartenders did not collect this tip money until the patron had left the vicinity. This time-delay regarding exchange, between ‘service’ (bartenders’ labours, emotional and otherwise, in addition to any buybacks) and ‘payment’ (tip money) afforded bartenders the opportunity to demonstrate their trust in these patrons and further consolidate the connections between them—a connection created, or continued, by the patron’s tipping practices.

Meanwhile, those Frank’s patrons who tipped individual bartenders tended to do so only in recognition of a bartender’s actions, rather than to establish, or continue, an individual connection. (Recall, from chapters 6 and 7, that opportunities for individual connections across the bar were limited due to the focus on the economic components of interaction and the interchangeable nature of bartending work at Frank’s.) Jeff, Frank’s patron, told Graeme, bartender, to keep the change having just had a drink promptly made for him. Jeff noted, “when I get good service I tip. If I don’t, I never tip.” Another example includes comments made by Kirsten, a Frank’s patron and interstate visitor, who stated she tipped out of recognition for what had been done for her, adding “if someone...goes out of their way to help you have a good evening then I like to tip them.” Kathy’s words and actions were consistent with this. Kathy was a relatively new patron at Frank’s but someone whose presence was becoming familiar to the staff due to her regular visits. She consistently placed coins in the tip jar after purchases and stated, “I tip because they’re nice here.” She then went on to add that being “nice” is not part of the job and tipping is a way to demonstrate appreciation for a bartender’s extra effort. Representative of many Frank’s tipping patrons, what Jeff, Kirsten and Kathy had in common was that tipping, for them, was a mode of reciprocating what someone had done for them,

13 An exception to this was at the end of the bartenders shift; they would let each patron at the bar know they were finishing work along with winding up the conversation they had been having. They took the tip money during this process.
whether it be prompt service or a subtle unexpected kindness. Such reciprocation is consistent with the limited role of Frank’s bartenders (discussed in chapter 7). Patrons perceived these examples of higher-than-expected levels of service as akin to receiving a gift requiring reciprocation.

Frank’s bartenders recognised that, on occasion, tips were given for their particular effort. Emily noted, “if I’m sort of, like, funny. If I, like, crack a joke and they find it funny I often notice that they tip.” Similarly, Neil stated, “I have noticed that if I’m nicer to people and talk more to people they are more likely to tip.” These situations did not lead to bartender’s attempts to systematise such behaviour in order to attract more tips and only took place at the wont of each bartender. Indeed, Frank’s bartenders seemed to dislike the idea of engaging with patrons for the purpose of increasing tips. Consistent with his fellow bartenders, Jim noted “that exists more in the [United] States...where that’s the only way you make your money. So, they have to be nice and stuff. I don’t really like the idea of that. Then, it’s like you’re paying someone to be polite.” Thus, pleasantries did not become standard at Frank’s, despite being recognised as financially rewarding (albeit only marginally so).

One particular patron, who had not been fortunate enough to receive Neil’s conversation or Emily’s wit, stated that she did not appreciate the general demeanour of Frank’s bartenders. She suggested people might tip more if Frank’s bartenders made more of an effort to be pleasant. To this patron, if Frank’s bartenders extended a basic level of courtesy patrons would respond, “[by thinking] ‘that’s really nice,’ and leave them a tip.” Frank’s bartenders did not consider this part of their ‘job’ (see chapter 7) and did not seem to approve of the concept of adjusting their behaviour for tips. As such, it is unlikely this patron will get her wish. Nevertheless, this statement is further indication that, at Frank’s, tips were given in reciprocation of a bartender’s particular behaviour, at least in some instances.14

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14One patron I spoke with suggested that he tips in recognition of what he perceived as substandard service, stating, “I don’t tip for good service. I tip for shit service.” He believed that the reception of substandard service was often the result of service-employees (whether they be Frank’s bartenders or anywhere else) being over worked and that to tip them, in such a situation, is to demonstrate empathy. He suggested that tipping in response to substandard service attracts positive attention from hospitality workers and encourages them to improve their dealings with
One exception to the meaning of Individual Tipping at Frank’s—that is, tips given as reciprocity for a bartender's action—was if the patron was romantically interested in the bartender. In such instances, tips were given without the bartender having to do anything, since the purpose was to begin a relationship. Emily noted:

“A guy’s been trying to pick me up for the last two months and he always tips me. He’ll tip, like, five bucks in one go. Yeah, so, I’ve noticed, um, if he’s interested romantically in one of the bar staff they will tip quite heavily. That goes without saying.”

Lyle noted he had witnessed tipping take place as part of a patron's attempts to gain the attention of his bartenders and perhaps pursue a relationship. To Lyle, such intent was identifiable as not only were such tips given in an exaggerated manner to attract the bartender's attention but accompanied with behaviours consistent with romantic interest. On one occasion, a patron was sitting at the bar and flirting with Simon, which involved generating and maintaining conversation with a suggestive tone. Simon passively participated in the conversation by responding when required but did not encourage discussion. In the process of one of their transactions the patron told Simon to keep the change, which amounted to about three dollars. Simon placed the money into the tip jar. The diversion of tips into the tip jar meant that bartenders never directly received tips given to them, which was perhaps why bartenders never reported feeling obliged to patrons that tipped. I did not observe, nor was I made aware of, a romantic relationship stemming from this process.

Of course, the ambiguity of having a tip send such a message means it might not be received in the way intended. On the night this patron told me his reason for tipping, he tipped Luke $3 in response to being made drinks that, he believed, were not as he ordered. Speaking with Luke later about this interaction, not only did he not agree that he had made a mistake regarding the drinks but did not understand why the patron tipped $3 at the same time as expressing dissatisfaction. Nevertheless, this patron’s action—tipping in response to bad service to get better service—was consistent still with the principle of reciprocity as characterised in the gift exchange literature.
**Relationship Tipping**

*Relationship Tipping* involved money given directly to a specific other based upon a long-standing relationship.\(^\text{15}\) Tips of this kind were ostensibly divorced from the material benefits that were an important consideration in *Individual Tipping*. At Freddy’s, *Relationship Tipping* involved significantly more money changing hands than with the other types of tipping already discussed and was given via a different process, with patrons making an increased effort to demonstrate ‘possession’ over the tips given. At Frank’s, *Relationship Tipping* involved giving money to the bar itself, rather than to the bartenders with whom patrons seldom developed close relationships. Such tipping at Frank’s was part of a larger process of developing an affinity with the venue, a relationship that did not yield material returns but aided in the process of patron’s construction of identity and belonging. Thus, while *Relationship Tipping* at Freddy’s conforms to the dominant stream of literature regarding gifting, since tipping was bound with recreating personal bonds and operated (silently) within a system of reciprocation, at Frank’s this form of tipping resonates with the arguments of Belk and Coon (1993) and Coleman (2004) that gifting does not require a return when the very giving of the gift is what allowed the giver to accumulate a desired sense of self.

Some Freddy’s patrons developed strong relationships with the bartenders (or a particular bartender). Tips from these patrons reflected such relationships. Regarding such patrons, Etta noted:

“They pay your rent and they’re nice people…they drink their four, five, beers and just leave you a set amount. They’ll leave you 15, or they’ll leave you a 10…they’ll just put it on the bar for you, versus leaving [a tip per drink]. And sometimes you don’t even think about how many drinks you served them; they just left you a nice tip. They’re not counting and nor are you.”

Such tips were larger than socially required and beyond what was needed to attract preferential treatment from bartenders. Further, such tips were given and received in block amounts, rather than in increments, divorcing the tip from service provided. These patrons placed their tip on the bar top as they left the

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\(^{15}\) This is distinct from *Individual Tipping*, which did not require the bartender and patron to have a close or long-standing relationship.
venue. This is distinct from *Individual Tipping*, which resulted from the accumulation of tips left on the bar top. This indicates a greater level of trust between bartenders and patrons who tipped based on their relationship with them, such that they did not need to see evidence of tips accumulating over time. Patrons typically placed their empty glass on top of their tips, stamping their possession of it in a mode of gifting that resonates with the “wrapping rule” (see Caplow, 1984), whereby ‘commodities’ are made into ‘gifts’ by personalising them—or “appropriating” them, to use Carrier’s (1990a) language—by use of wrapping paper.

The meaning of Peter’s tips fell into this category. Peter, a regular patron, was often at the bar when Edna was bartending, during the afternoon and early evenings. Edna introduced me to Peter as her “friend,” rather than as a “regular,” such was the nature of their relationship, which extended beyond the venue. Peter usually left a large amount as a tip, sometimes $15 or perhaps even $20, each time he readied himself to leave. This was usually done without comment, with Edna collecting the tip after Peter left. Upon talking to Peter about why he tipped he said nothing of the buybacks he received throughout his visits—although he did receive them—but instead responded, “because it’s a friend of mine.” Peter was aware of the wider system of exchange he and Edna were part of and the low wages bartenders received. But he did not tip Edna because he was expected to, or because tipping more than the norm would result in getting buybacks. The series of exchanges between him and Edna extended much further and is more akin to the gift exchange seen in a friendship network. Tips were simply part of a larger process of continuous gift exchange. With respect to how that played out in the bar itself, Peter stated, “it’s not a direct quid-pro-quo. It’s not even implicit. It’s just simply not addressed. [With] somebody you know, you say ‘oh, I remember you wanted to read this, here...’ and then mysteriously you get a buyback.” Peter viewed his large tips as representing the strong relationship he had with Edna, but also recognised that they fit within a larger system of gift exchanges between friends.

At Frank’s, patrons were not in the position to develop close relationships with the bartenders, as Edna and Peter had done at Freddy’s. The ‘barrier’
between Frank’s patrons and bartenders (see chapter 5), the de-socialisation of exchange (see chapter 6), and the role of bartenders being reduced to the production of drinks and maintenance of the venue (see chapter 7) stunted such relationships. Some Frank’s patrons, however, developed an affinity with the venue itself through a process generally referred to as “place making,” in order “to engender a sense of belonging or identity” (Sime, 1986: 56; see also Gustafson, 2001; Low and Lawerence-Zuniga, 2003b). Owners and bartenders alike identified certain patrons as having developed a deep connection to Frank’s. Many had given their time and energy to its success, with regular patronage being recognised as such support. Many patrons, too, noted that Frank’s meant a great deal to them and that the venue had become a part of who they were as a person. Beyond being a ‘regular,’ which involved consuming drinks, listening to live music and developing their social life at Frank’s, there were other ways in which patrons developed an affinity with the venue—or, in other words, made ‘place’ out of ‘space.’ Simon planned to bring his own music collection to Frank’s, as many already had done, so that it could be played, describing his intent as bringing “some Simon-ness” to the bar. Angus, a regular patron and amateur sketch artist, had donated some of his art to the venue, which he pointed out to others on occasion. Carla, a regular, performed live music at the venue; in addition, her promotional material was placed throughout the venue itself. There were many ways one could incorporate Frank’s into one’s own identity and infuse oneself into the venue.

The ways in which people infused their identity with Frank’s depended on their particular talents; Carla played music, as she was a musician, whereas Angus offered artwork, as that is where his strengths lay. Neither Carla nor Angus tipped, as they did not need to. Carla’s not tipping is a particularly illustrative example of why some others do. She once expressed an awareness of the inconsistency of her behaviour with respect to tipping, stating, “I never tip at Frank’s, but I’ll always tip at other places and I don’t know why. I’ll always tip a restaurant up the road, called Mangiamo’s, and I have no idea why, ‘cause they’re always rude to me.” Yet, Carla noted she had a strong association with Frank’s. I

16 Indeed, the wall within the bar area was lined with pictures, drawings, photos and other paraphernalia donated by patrons.
suspect Carla did not tip at Frank’s as it was already part of her identity. Her band played there, her promotional material was placed throughout the venue. Carla did not need to tip to achieve identification with the venue. However, others who had a desire to build their identity with Frank’s relied upon different means to do so. Such patrons did not have Carla’s means to materially infuse their identity with Frank’s. For them, placing money in the tip jar was one way they could become part of the venue and have the venue be part of their identity.

An example of a patron tipping as a means of their reinforcing their relationship with the venue involved a few patrons who used the venue as a meeting place. These patrons frequented Frank’s regularly enough such that their faces were familiar to the bartenders, and to me, but not so often as to be referred to by bartenders as ‘regulars.’ Soon after they arrived, they ordered their drinks, receiving change in the process. One of these patrons, as he placed that change in the tip jar, asked his acquaintances, “should we take our usual table out the back?” The patrons did not concern themselves with Manning specifically; there was no interaction between them apart from trade. However, Manning did notice the tip and said “thank you.” The three patrons then left for their “usual table” in the courtyard. These actions declared their ‘regular-ness’ and how much they belonged in the venue. In this way, these patrons contributed to Frank’s bar, as Carla and Angus did, and became part of Frank’s in this process, as the table in the courtyard becomes ‘theirs.’ Analogous to Coleman’s (2004) Faith Christians, for these patrons, the act of giving seemingly allowed them to feel more intertwined with the institution that is Frank’s Bar.

Tipping as a mode of place-making might be specific to Frank’s. Frank’s ‘tip jar’ was a wooden box, built and donated by a former regular Frank’s patron (see Figure 2). It was unlike tip jars found at nearby public bars, all of which were glass. These glass tip jars typically sat upon the bar top, the space designated for patron usage (recall chapter 5). At Frank’s, in contrast, the wooden box sat upon the bartenders workbench, just behind the bar top. Unlike the glass tip jars at nearby bars, which stood out, the wooden box blended into the bar top. An act of tipping at Frank’s, then, involved a process whereby patrons were afforded the opportunity to literally cross the barrier separating
themselves and the bartenders and then appear to place their money into the bar itself. Tipping at Frank’s was an example of “where individuals inherit the parameters of a given situation, and modify them to a new situation” (Leach, 2002: 282). In other words, Frank’s patrons, having accepted the barrier between themselves and bartenders, developed a relationship with the venue; in a metaphorical sense, the bar top itself was partly comprised of patrons’ monies. This process of place-making, of what Feld and Basso (1996) describe as the co-fashioning of a place and the self in relation to each other, took many forms. One of these forms was the process of patrons momentarily breaking the barrier that usually excluded them and placing their money—an extension of themselves—into the bar. Tipping was one small way some patrons made Frank’s ‘theirs’ and constructed their own identities in the process.17

Figure 2: Frank’s Tip Jar

Comradeship Tipping

Comradeship Tipping was based on particular patrons having a sense of categorical equivalence with the bartenders they tipped, in contrast to Social

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17 Patrons at nearby venues utilised other methods of place making. For example, a nearby pub would fasten small plaques, less than the size of a postage stamp, with a patron’s name engraved on it if they were considered a ‘regular’ for a particular length of time.
Tipping, which represented and communicated patrons’ perceived categorical inequivalence. At Freddy’s and Frank’s, a certain element of the patronage tipped because they also were employed in the hospitality industry. The differences between each case were the types of hospitality workers involved, along with the purposes for, and consequences of, this type of tipping. At Freddy’s, Comradeship Tipping was limited to other bartenders who used it as a platform for developing and maintaining a network. This situation paralleled with Yan’s (1996) discussion of Chinese villages, where gift exchanges were interlocked with social networks that could then be relied upon during times of crisis. Just as life in these Chinese villages can only be understood in relation to the exchange networks that bind them, so it was for Brooklyn bartenders. At Frank’s, in contrast, service-employees of all types tipped out of a sense of solidarity, not in relation to network building; such tipping took place out of a recognition of a common position as a service-employee. Thus, while Comradeship Tipping occurred in both settings it was done for different reasons.

Freddy’s bartenders, consistent with bartenders who worked in nearby venues, tipped consistently more than anyone else. David, part owner, noted:

“Brooklyn bartenders are notoriously good tippers too, you know. Like, if you’re a bartender and you walk up to another person’s bar it’s pretty much an automatic twenty bucks, you know. ‘Cause the next time they come in, then they feel obligated. ‘You give me twenty bucks, when’s your next shift…okay’. Then they gotta go to your fucking bar and give the twenty back, you know… It’s a respect sort of thing.”

Such tipping practices were undertaken by both off-duty Freddy’s bartender’s and off-duty bartenders from other bars. Tip amounts were always considerably higher than, but done in the same way as, patrons who tipped due to having a strong relationship with the bartender. Off-duty bartenders would place a relatively large bill, often $20, on the bar top, upon which they placed their

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18 The difference between Social Tipping (by Freddy’s patrons who had service-industry experience) and Comradeship Tipping, then, is that the former refers to heightened sense of social obligation due to having personal experience in the industry whereas the latter refers to a sense of solidarity, or kinship.

19 Even though such tips were given on the basis of the common occupations of transactors and the network that was being maintained, close relationships did sometimes evolve from that process.
empty glass before leaving. The on-duty bartender collected such tips in their own time, with such tips not explicitly acknowledged. Bartenders reciprocated these tips in kind when the roles of off-duty bartender/patron and on-duty bartender were reversed. There was no direct material gain from this practice as the money made by these large tips was often paid out again in the process of reciprocity.\footnote{That said, off-duty bartenders did tend to receive buybacks at a higher rate than other patrons.}

This process of large tip exchanges did not assist in increasing bartenders’ net income but it was a way of networking within the industry. Brooklyn bartenders developed and maintained a network throughout nearby bars to offset the risks of future loss of employment and income security, as outlined in chapter 4. A case involving Nathan, a regular at Freddy’s and bartender nearby, is a good example of this network’s benefits. Nathan’s fortunes changed in the three years leading up to my fieldwork. In his first year of bartending he accrued tips of between $US1200-­‐$US1500 per week. Then Nathan’s bar acquired a new owner who allowed the premises to deteriorate, as he planned to renovate the venue into a ‘sports bar.’ Nathan’s clientele declined, since there was little he could do to attract patrons in the circumstances, with his income falling to about $US600 per week. Soon after, the owner closed the bar to effect the renovations, and terminated Nathan’s employment. Nathan responded by turning to the network of bartenders of which he was part and soon was bartending at another bar, in which he had been a well-known regular. Nathan’s network had helped him recover after circumstances undercut the success he had once enjoyed. However, Nathan’s seamless access to that network’s assistance was based on his participation in the exchange of generous tips between bartenders. As Etta suggested, bartenders “look out for each other,” and their generous tipping of each other—and the trust this established, since there was significant time-delays before reciprocity took place—represented this concern. Such tip exchanges held together a network of bartenders that could be relied upon when needed.

\textit{Comradeship Tipping} meant something different at Frank’s. It took place within a system of fixed hourly wage rates and whereby employment hinged
more on a bartender’s connection to owners than to other bartenders and patrons (see chapter 7). Despite this, Neil, Frank’s bartender, commented, “the people who tip the most are hospitality people.” Likewise, Jim stated that someone who tips has “probably worked in a bar themselves or in hospitality. I reckon most people that tip get tipped themselves.” At Frank’s, there was not a distinction between off-duty bartenders and other types of service-workers (such as waiters), as there was at Freddy’s. At Freddy’s, those in ‘hospitality’ tipped more than the norm, due to a heightened sensitivity to a social obligation, and bartenders tipped considerably more again, as a form of networking. At Frank’s, being employed as a bartender, waiter, or in any other profession that was considered to be part of the hospitality industry qualified an individual as a hospitality worker, or “hospo.” It was often assumed that such people had a higher propensity to tip, but bartenders were not thought to tip more than other “hospo’s.” Hospo’s developed a sense of kinship with Frank’s bartenders through their work, whether or not they knew them individually. Manning stated that “hospo’s” tended to be more likely to tip because, “there’s a bit of a bond...people who work in hospitality sometimes tip out of a sense of solidarity.” Commensurate with this perception, many patrons who tipped said they did so because they were a service-worker themselves. For example, when I asked Kath, a Frank’s patron, why she had placed two dollars in the tip jar after having purchased an $18 pitcher of beer her response was simply, “because I work in hospitality.”

Many hospitality workers suggested they tipped. Not all of them did, however, nor was direct reciprocity expected, nor did Frank’s bartenders keep track of whether hospitality workers tipped. Perhaps this was because there was no strong support network to be maintained, as in Brooklyn. Hospitality workers, including Frank’s bartenders, did not seem to feel a requirement to tip; Jim was one of a number who said they did not feel the need to tip and often did not. Remy, a Frank’s patron whose experience was primarily in bars, noted “I’ve worked in a dozen bars and some restaurants and I never tip in either.” While many claimed that they would tip if they were in the financial position to do so, they did not seem concerned about not tipping. Larissa, Frank’s bartender, suggested with respect to her own tipping habits: “Generally not recently
because I’m so poor, but in the past yeah, all the time...I was a really good tipper.” Likewise, Abby, Frank’s patron and bartender nearby, noted, “I don’t tip...I only work three shifts a week, so I can’t afford to.” Off-duty ‘hospo’s’ were more likely to emphasise that they were ‘tippers’ than to habitually place money into the tip jar. That said, this pro-tipping attitude was based on being employed in hospitality, not related to service that “goes above and beyond,” a phrase often repeated by patrons with no hospitality experience. Tips from hospo’s were usually small amounts and could be considered tokenistic. It was the act of tipping, or even the suggestion that one does act in such a way, that mattered to participants. Frank’s Comradeship Tipping was done as recognition of equivalent status.

**Closing Remarks**

I have represented various meanings of tipping via four categories. These categories combine types of tipping practices across Freddy’s and Frank’s that have similarities on an abstract level but are differentiated by their contextual application. For example, Relationship Tipping situates the meaning of tipping within the particular relationship between giver and receiver, a general principle that applies in both bars. However, at Freddy’s that refers to patrons tipping significant amounts to bartenders with whom they have established a close and personal association, whereas at Frank’s it refers to the action some patrons undertake as part of a larger process of creating and recreating their affinity with Frank’s Bar. Likewise, Comradeship Tipping situates tipping as something done as recognition of an equivalent status between giver and receiver, with reciprocity expected to balance out such gifts. This, in principle, applies to both Freddy’s and Frank’s but it played out very differently in each location. At Freddy’s, it involved off-duty bartenders tipping large amounts that they expect to be reciprocated by the individual bartenders that received it in order to maintain a risk-mitigating network in a fluctuating employment market. At Frank’s, such tipping involved small amounts and was a statement of solidarity, with general reciprocity anticipated by those in the hospitality industry. I designed these categories to articulate certain themes relating to what tipping meant to participants but to not detract from its multiple variations.
Sykes (2005: 59) notes that “to give is to do more than to transact an object. How people give and receive is a matter of what kind of relationships they imagine they make and keep with each other; immediately immaterial or ideal concerns become a part of the issue.” To that end, I have demonstrated that tipping at Freddy’s and Frank’s took on various meanings that emerged within the broader social context. Regarding Social Tipping, for example, Freddy’s bartender’s labours were considered something that required the patron to reciprocate because they were operating in a nation that did not compensate such labours with liveable wages. In this context tipping one dollar per drink acquired certain elements of a payment, payable to whichever bartender happened to provide that drink. In other cases, the meaning of tips was related to the individuals involved in any transfer. Individual Tipping at Frank’s included tips that were given in direct recognition of the actions of a particular Frank’s bartender, who the patron considered went beyond his or her (relatively limited) duties. Likewise, Relationship Tipping involved Freddy’s patrons tipping large amounts to reaffirm their close and longstanding relationship with a specific bartender, itself wrapped up within a wider system of exchanges. The diversity of these examples is consistent with Carrier’s (1990a) suggestion that what giving means is based on circumstance, including who is giving, who is receiving, the occasion, and the relationship of those involved. Furthermore, my descriptions are consistent with Henrich et al. (2001) who demonstrate, via experiments in 15 small-scale societies, that the rules of gifting depend on the cultural context in which people operate.
Conclusion

In this dissertation I have sought to explain a particular kind of gifting, known as tipping, and why attitudes/practices towards it vary. Previous research attempting to understand why people tip has failed to produce adequate answers. This is partly because the question ‘why do people tip?’ is too generic, a problem the supposedly universally applicable methods used by economists has been unable to overcome. These research attempts have also presented tipping as an unambiguous and unhistorical phenomenon—a commodity traded for service. In contrast, I have shown tipping as capable of comprising ambiguous combinations of ‘gift’ and ‘commodity,’ with its practice and meaning contingent upon both the socio-historical context and the particular relationships between those that give tips and those that receive them. Researchers of ‘gifting’ usually begin with Marcel Mauss’s suggestion that it is incumbent upon all people to ‘give, receive, and reciprocate,’ but tend still to explain gifting in terms of the specific context that surrounds it. This has been my approach. It has led me to divide the generic question of tipping into the following: Why is the practice of tipping simultaneously so pervasive in America and so uncommon in Australia? Given these different levels of pervasiveness, how did people—specifically, Freddy’s and Frank’s participants—incorporate tipping into their interactions? Finally, what did tipping mean to people involved in its practice?

Findings and Implications

These questions have led to a number of findings, each with their own implications. The key issue relating to the generally different predispositions to tip in America and Australia is the relations of power between employers and employees. The concept of tipping was introduced to both countries in the late-nineteenth century. In both countries, employers would have benefited from a shift away from a fixed wages system to a tipping system as it reduces their risk of having to pay idle employees. Yet, only in America was this shift to a tipping system realised, afforded by the American labour market’s asymmetrical power relations in favour of employers. In Australia, conversely, wage labourers constituted a higher proportion of the population, which supported a stronger
union movement and the mandating of liveable wages for all employees, including service-employees who did not need to resort to seeking tips for income. This has implications for the future of Australia’s tipping custom, which can be currently described as insignificant. Notwithstanding the repeal of the Work Choices legislation in 2007, if Australia maintains its trend toward a deregulated labour market Australians’ propensity to tip will likely increase. The more that power shifts toward employers the more they will seek to reduce their risk exposure to lower than expected custom by transferring that risk onto their employees, who will respond by seeking tips. In such an instance, an anti-tipping morality will eventually give way to necessity as it did in late-nineteenth century America. To that extent, tipping customs may prove a useful indicator of power asymmetry in a nation’s labour market.

Divergent political histories between America and Australia led to patrons in each nation being placed in a different relationship with service-employees they encountered. Frank’s bartenders’ suspicions were correct insofar as they recognised that if their income source shifted away from wages toward tips their interactions with patrons would shift with it. They tended to suspect, however, that being reliant on tip income would be disempowering in terms of their being made subservient to patrons. Bartender-patron interaction at Freddy’s suggests that this would not inevitably follow. Freddy’s bartenders were empowered in many respects, including greater job security and control over their work activities. That empowerment was grounded in their relationships with patrons, which I argue were directly linked to bartenders being paid in tips. The issue remains, however, as to what extent these observations apply in other settings—for example, restaurants, hotels, or even other public bars that do not facilitate personal relationships between bartenders and patrons. The contextual requirements for the validity of these conclusions might mean that they have limited resonance throughout the service-industry, but this is something for further research. The irony for Australian service-employees may be that the formal power they have collectively accumulated over the twentieth century in terms of protective legislative provisions may have undermined their informal power in the workplace. Protective provisions such as liveable minimum wages have
reconfigured the relationship between those involved in the service encounter, enabling a disconnect between Australian service-employees and patrons. Based on the evidence from Freddy’s Bar, the relationships that may ensue in the absence of those regulations can be a source of power for service-employees.

Commensurate with bartender-patron relationships taking on different forms, comparative descriptions of Freddy’s and Frank’s reveal that tipping took on different meanings. At Freddy’s, tips were heavy with meaning for participants, reflecting and reinforcing the various relationships patrons had with bartenders. Such relationships were sometimes abstract, the construct of social institutions. Other times they were personal and deeply held. In all cases, the amount tipped and the way it was done was crucial to the navigation of such relationships. At Frank’s, tipping held considerably less importance—it constituted a small fraction of Frank’s bartenders’ incomes—but was still a medium with which people sought to communicate their relationships with each other and with the venue, and to develop their own identity. The implication of this finding is that researchers need to move beyond basic characteristics of the service encounter if they wish to understand tipping. Researchers cannot simply appeal to tips as reflections of perceived utility gains susceptible to potential disruption by extraneous factors (such as gender dynamics or the weather). Utility was relevant to varying degrees at Freddy’s and Frank’s, and numerous other studies suggest tip levels are indeed influenced by extraneous factors, but people’s decisions to tip were also supported by what the action meant to them. Such meaning was afforded by the context, which extended beyond the bartender-patron relationship (whether that be abstract or personal) to include the owners’ role in setting work activities, social structures and each person’s cultivated economic habitus.

Comparing Freddy’s and Frank’s prompted my developing the concept of a Product-Price Nexus (PPN). The PPN deconstructs both products and prices and details how they were related, which I then analysed in relation to the sociality between bartenders and patrons. I used the PPN and descriptions of behaviour within Freddy’s and Frank’s to argue that there was an inverse relationship between the strength of the connection between products and their respective
prices (that is, the PPN) and the extent to which bartenders and patrons interacted with each other. Freddy's prices and products were only loosely connected but there was considerable sociality between bartenders and patrons, whereas the reverse was the case at Frank's. This demonstrates that the connection between products and prices is not an automatic expression of universal laws relating to competitive forces, but a construction that seemingly takes place in connection to the level of interaction between those effecting transactions. The PPN may provide part of a future research agenda to ascertain the extent this inverse relationship holds in other settings. Further investigation may also reveal insight into causal directions. Do certain strengths of the PPN lead to particular levels of sociality or is the reverse the case? Or, is it a matter of the PPN and sociality being mutually constituted? In any event, the discovery of this connection brings economic exchange and social interaction into direct and observable contact and posits how they are related.

The comparison of Freddy's and Frank's also led to the identification of different forms of emotional labour. Building upon the 'emotional labour' literature, which suggests that an employer's profit motive compels service-employees to present a demeanour inconsistent with their feelings, I described two ways in which that inconsistency may be negotiated. Freddy's bartenders engaged patrons, while Frank's bartenders endured patrons. This distinction, I noted, was linked to the different income structures in the two venues. The tipping system in Freddy's resulted in bartenders having more responsibilities, including for the development of patron relationships, whereas the fixed wages system at Frank's enabled (perhaps necessitated) bartenders' roles to be directed toward the relatively functional elements of bartending such as producing drinks and managing stock rotation. This insight builds upon the literature regarding work, as it identifies income structure as a link that converts differences regarding national political institutions into different work outcomes. As with the relationship between the PPN and sociality, it is the task of future research to demonstrate the degree to which, if at all, this finding applies in other settings. To the extent that it does, there are consequences for the field of Human Resource Management. Put simply, income structure (how employees are paid and from where that money is derived) shapes how an employer is able to define
an occupation and how employees carry it out. Furthermore, for researchers, the discovery of two forms of emotional labour begs the question of whether there are any other forms used by service-employees and what sustains their existence.

This comparative project may also prove relevant to understanding the consumption of alcohol. Comparing Freddy’s and Frank’s in terms of economic and social interaction, as well as in terms of the types of relationships that eventuate from those processes, was designed to shed light on exchange within each venue (particularly tipping). Production processes were incorporated into this study, as they were found to be relevant to the understanding of typical modes of exchange in the two venues. The consumption of alcohol, however, was not given much consideration. That said, the different modes of typical bartender-patron relationships observed in Freddy’s and Frank’s might well have relevance to future investigations of alcohol consumption. Many Freddy’s patrons socialised directly with bartenders. This, for many, was a main reason for visiting the venue. Alcohol consumption took place by oneself, with the bartender, and often with other patrons to whom drinkers were introduced in the venue. Many Frank’s patrons, on the other hand, interacted with bartenders only to the extent needed to acquire alcohol. Consequently, there was a reduced tendency to visit the bar by oneself, consume alcohol while conversing with the bartender, and meet unfamiliar people. Frank’s patrons, relatively speaking, tended to socialise and consume alcohol in groups formed external to the venue and away from the bartender. In as much as relations with whom one is drinking affects how one drinks, this study thus raises the possibility that differences in tipping practice, and the structural conditions informing those practices, may affect the frequency and intensity of alcohol consumption.

**Closing Remarks**

For most people in Australia tipping is a somewhat peripheral aspect of life (for the moment at least). Nevertheless, as a form of gift exchange inextricably bound with commodity exchange, this examination of tipping reveals social patterns that exist far beyond the immediacy of the practice. Quantitative researchers have been able to demonstrate a range of factors that correlate with tipping
behaviours to varying degrees. In the same process they have also shown how little is known about why tipping is practiced in some situations and contexts and not in others, what it means to people involved, and how it reflects and reinforces diverse kinds of relationships. This dissertation has demonstrated that tipping is connected to, and connects, many aspects of social life, regardless of the extent to which it is practiced. If my examination of tipping in the United States reveals anything it is that ‘social norms’ can operate as a powerful substitute for institutional enforcement. Comparing this to the Australian case reveals political institutions can have direct and significant influence upon social norms. It seems, then, that political institutions and social norms can only be fully understood in terms of their mutual constitution, or, at least, how they may impact upon each other. An examination of either political institutions or social norms without reference to the other may result in an understanding that is partial and possibly misleading.
References


Moore JH. (1981) Over-Sexed, Over-Paid, and Over Here, St Lucia, Queensland: University of Queensland Press.


## Appendix: Categories of ‘Tip’

<table>
<thead>
<tr>
<th>Category</th>
<th>Sub-Category</th>
<th>Variation</th>
<th>OED Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Natural</td>
<td>tip, n.1 (1a)</td>
<td>The slender extremity or top of a thing; esp. the pointed or rounded end of anything long and slender; the top, summit, apex, very end.</td>
<td></td>
</tr>
<tr>
<td>Natural</td>
<td>tip, n.1 (1b)</td>
<td><em>fig.</em> Utmost point, extremity; highest point, apex, crown. <em>Obs.</em> (Cf. also tipe n.1)</td>
<td></td>
</tr>
<tr>
<td>Natural</td>
<td>tip, n.1 (1c)</td>
<td>Old name for an anther, or summit of a stamen. Cf. apex n.1 6a.Obs.</td>
<td></td>
</tr>
<tr>
<td>Natural</td>
<td>tipping, adj</td>
<td><em>dial.</em> and <em>slang.</em> First rate, excellent = TOPPING adj (Cf. RIPPING adj)</td>
<td></td>
</tr>
<tr>
<td>Manufactured</td>
<td>tip, n.1 (2a)</td>
<td>A small piece of metal, leather, etc., attached or fitted on to something so as to form a serviceable end; as the buckle of a girdle (obs.), a ferrule, the leather pad on the point of a billiard-cue, a protecting cap or plate for the toe of a shoe, etc.</td>
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<tr>
<td>Manufactured</td>
<td>tip, n.1 (2b)</td>
<td><em>Costume.</em> The end of a tail or fur, or of a feather, as used in trimming, etc.</td>
<td></td>
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<tr>
<td>Manufactured</td>
<td>tip, n.1 (2c)</td>
<td><em>Angling.</em> The topmost joint of a fishing-rod.</td>
<td></td>
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<tr>
<td>Manufactured</td>
<td>tip, n.1 (2d)</td>
<td><em>Hat-making.</em> The upper part of the crown of a hat; a stiff lining pasted in this part.</td>
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<tr>
<td>Manufactured</td>
<td>tip, n.1 (2e)</td>
<td>Used in pl. to denote the leaf-buds used in tea-making, preceded by an adj. or trade-name to designate a particular brand of tea.</td>
<td></td>
</tr>
<tr>
<td>Manufactured</td>
<td>tip, n.1 (2f)</td>
<td>Formerly, a band of (gold, etc.) paper round a cigarette at the end held by the lips; now, = filter n. 3c. Cf. gold-tipped adj. at gold n.1 Compounds 2c(a).</td>
<td></td>
</tr>
<tr>
<td>Manufactured</td>
<td>tip, n.1 (3)</td>
<td>A thin flat brush, made of camel’s or squirrel’s hair (originally the tip of a squirrel’s tail) fixed between two pieces of cardboard glued together, used for laying gold-leaf, as in bookbinding; also, a piece of wood covered with flannel, similarly used.</td>
<td></td>
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<tr>
<td>Manufactured</td>
<td>tip, n.1</td>
<td>a) A light horse-shoe, covering only the front half of the hoof. b) equals foothold, n.2 (? U.S. ‘A kind of...</td>
<td></td>
</tr>
<tr>
<td><strong>Use of</strong></td>
<td><strong>(4a&amp;b)</strong></td>
<td>light India-rubber overshoe, leaving the heel unprotected; a sandal. Sometimes called a tip.' (Cent. Dict.)</td>
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<tr>
<td><strong>tip, v.3 (a)</strong></td>
<td>trans. To furnish with a tip; to put a tip on, or put something on at the tip (const. with); to form the tip of, or adorn at the tip.</td>
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<tr>
<td><strong>tip, v.3 (b)</strong></td>
<td>Most freq. in pa. pple. (See also TIPPED adj. 2.)</td>
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<tr>
<td><strong>tip, v.3 (c)</strong></td>
<td><em>fig.</em></td>
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<tr>
<td><strong>tipped, adj.1 (2)</strong></td>
<td>Having a tip, pointed; furnished or adorned with a tip, or with something at the tip.</td>
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<tr>
<td><strong>tipped, adj.1 (3a)</strong></td>
<td>tipped staff <em>n.</em> A staff tipped with metal: = tipstaff <em>n.</em> 1. <em>Also tipped mace, tipped stick, tipped wand.</em></td>
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<tr>
<td><strong>tipped, adj.1 (3b)</strong></td>
<td>tipped staff <em>n.</em> An officer bearing such a staff: = tipstaff <em>n.</em> 2</td>
<td></td>
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<tr>
<td><strong>tipped, adj.1 (4)</strong></td>
<td>filter-tipped adj. at filter <em>n.</em> Compounds 2. Also absol., filter-tipped cigarettes.</td>
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<tr>
<td><strong>tipper, n.1 (3)</strong></td>
<td>[tip v.3] A person employed in fitting on tips to umbrellas or other articles.</td>
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<tr>
<td><strong>tipping, n.1 (1)</strong></td>
<td>The action of furnishing or fitting with a tip</td>
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<tr>
<td><strong>tipping, n.1 (2a)</strong></td>
<td>concr. A piece fashioned or fitted on to form a tip, esp of a different material or colour</td>
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<tr>
<td><strong>tipping, n.1 (2b)</strong></td>
<td>concr. equals TIPPET, n.4a</td>
<td></td>
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</tr>
<tr>
<td><strong>tipple, n.2</strong></td>
<td><em>dial.</em> A bundle of hay tied near the top so that it tapers to a point.</td>
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<tr>
<td><strong>tipple, v.2</strong></td>
<td><em>dial. trans.</em> To bind (hay) in tipples (see TIPPLE n.2). Also absol</td>
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<tr>
<td><strong>tippler, n.2</strong></td>
<td><em>dial.</em> One who binds up hay in tipples: see TIPPLE, n.2</td>
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<tr>
<td><strong>tip, v.1 (2)</strong></td>
<td><em>intr.</em> To step lightly; to trip; to walk mincingly, or on tiptoe; also <em>fig.</em></td>
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<tr>
<td><strong>tip, v.2 (2d)</strong></td>
<td><em>Bookbinding.</em> <strong>to tip in,</strong> to attach a single leaf, often an illustration, to the neighbouring leaf of a book by a thin line of paste down its inner margin.</td>
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<tr>
<td>tipped, adj. 1 (5)</td>
<td><em>Bookbinding.</em> Of a leaf, plate, etc.: inserted in a book by attaching to another leaf with a narrow strip of paste at the inner edge. Usu. with in. Cf. tip v.2 2d; tip-in n. 1.</td>
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<tr>
<td>tipping, n.1 (3)</td>
<td><em>Hort.</em> A method of grafting, also called tonguing: see quot 1763</td>
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<tr>
<td>tipping, n.1 (4)</td>
<td><em>Bookbinding.</em> (see quot. 1931.) Usu. With in. Cf. TIP, v2 2d; TIP-IN, n1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>tip, n.2</td>
<td>An act of tipping, a light but distinct impact, blow, stroke, or hit; a noiseless tap; a significant touch. †tip for tap = tit for tat: see tit n.2, and cf. tap for tap in quot. 1600 at tap n.2 1a. foul tip (Baseball), a foul hit in which the ball is only grazed: cf. foul adj. 14.</td>
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<tr>
<td>tip, v.1 (1a)</td>
<td>trans. To strike or hit smartly but lightly; to give a slight blow, knock, or touch to; to tap noiselessly.</td>
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<tr>
<td>tip, v.2 (1a)</td>
<td>To overthrow, knock, or cast down, cause to fall or tumble; to overturn, upset; to throw down (off a support, out of a vehicle, etc.) by effort or accidentally.</td>
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<tr>
<td>tip, v.2 (7)</td>
<td>To be overthrown, to fall. Obs. (exc. As in 8)</td>
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<tr>
<td>tip, n.5 (1)</td>
<td>The knocking over of a pin by another which falls or rolls against it, as distinct from knocking one down by the immediate impact of the bowl. In some forms of the game applied also to other modes of knocking down, distinct from bowling.</td>
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<tr>
<td>tip, v.1 (1b)</td>
<td>Cricket. To hit (a ball) lightly. Also spec., to glance or touch with the edge of the bat.</td>
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<tr>
<td>tip, v.1 (1c)</td>
<td>U.S. Sport. To hit (a ball, puck, etc.) into the net or goal with a light touch or push. Freq. const. in(to).</td>
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<tr>
<td>tip, v.2 (1b(a))</td>
<td>Skittles. In the older game, said of a pin: To knock down another by falling or rolling against it, as distinguished from the direct action of the bowl.</td>
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<tr>
<td>tip, v.2 (1b(b))</td>
<td>Obs. In some forms of the game, applied to other modes of knocking down a pin.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>tipper, n.1 (1)</td>
<td>One who or that which tips, in various senses of the verbs. spec. †1. in <em>Skittles:</em> see tip v.2 1b. <em>Obs.</em></td>
<td></td>
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<tr>
<td>tipping, n.2 (2)</td>
<td><em>Skittles</em></td>
<td></td>
<td></td>
</tr>
<tr>
<td>tipping, n.3 (a)</td>
<td>The action of TIP v.1; in quot 1819, in sense 2 of the vb.</td>
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<tr>
<td>tipping, n.3 (b)</td>
<td>spec. in Music. The action of striking the tongue against the palate so as to produce a staccato effect in playing certain wind-instruments; also called TONGUING n., q.v.</td>
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<tr>
<td>tipping, n.3 (c)</td>
<td>(See quot. 1891.)</td>
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</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>tip, v.2 (10)</th>
<th>to tip off, also simply to tip, or tip (over) the perch; to die. slang or dial.</th>
</tr>
</thead>
<tbody>
<tr>
<td>tip, v.2 (6)</td>
<td>To dispose of or kill (a person). Also fig. Cf. sense 10 and to bump off at BUMP v.1c. slang</td>
</tr>
<tr>
<td>tip, v.2 (8)</td>
<td>To fall by overbalancing; to be overturned or upset; to tumble or topple over</td>
</tr>
<tr>
<td>tipple, v.3 (1)</td>
<td>dial. intr. To tumble or topple over.</td>
</tr>
<tr>
<td>tipple, v.3 (2)</td>
<td>dial. trans. To throw, pitch</td>
</tr>
</tbody>
</table>

3. Imbalance (1530-)

<table>
<thead>
<tr>
<th>tip, v.2 (2b)</th>
<th>to tip the scales: to tilt or depress the scale by excess of weight; to turn the scale; also fig. Similarly to tip the balance, to tip the beam.</th>
</tr>
</thead>
<tbody>
<tr>
<td>tipped, adj.2</td>
<td>Inclined, tilted; overturned, upset; † drunken (obs. slang).</td>
</tr>
<tr>
<td>tipping, n.2</td>
<td>tipping-point n. the prevalence of a social phenomenon sufficient to set in motion a process of rapid change; the moment when such a change begins to occur. (Add 2004.)</td>
</tr>
</tbody>
</table>

4. Tilting (1624-)

<table>
<thead>
<tr>
<th>tip, n.5 (2)</th>
<th>An act of tipping up or tilting, or the fact of being tilted; inclination.</th>
</tr>
</thead>
<tbody>
<tr>
<td>tip, v.2 (2a)</td>
<td>To cause to assume a slanting or sloping position; to raise, push, or move into such a position; to incline, tilt. Often with up.</td>
</tr>
<tr>
<td>tip, v.2 (9)</td>
<td>To assume a slanting or sloping position; to incline, tilt; e.g. of a balance; now esp. of a cart, a plank, etc. (usu. With up), to tilt up at one end and down at the other so that anything supported by it is (or may be) thrown off or emptied out.</td>
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<tr>
<td></td>
<td>tippable, adj</td>
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<tr>
<td></td>
<td>tipping, n.2 (1)</td>
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<tr>
<td></td>
<td>tip, n.5 (Add phrase)</td>
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<tr>
<td></td>
<td>tip, v.2 (2c)</td>
</tr>
<tr>
<td></td>
<td>tip, v.2 (b)</td>
</tr>
<tr>
<td></td>
<td>tippler, n.3 (2)</td>
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<td></td>
<td>tip, n.5 (3a&amp;b)</td>
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<tr>
<td></td>
<td>tip, n.5 (4a&amp;b)</td>
</tr>
<tr>
<td></td>
<td>tip, n.5 (Add phrase)</td>
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<td></td>
<td>tip, v.2 (3)</td>
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<tr>
<td></td>
<td>tipper, n.1 (2a)</td>
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<tr>
<td></td>
<td>tipper, n.1 (2b)</td>
</tr>
<tr>
<td></td>
<td>tipper, n.1 (2c)</td>
</tr>
<tr>
<td><strong>tipping, n.2 (3a&amp;b)</strong></td>
<td>a) The tilting up of a truck so as to discharge its contents; the emptying out of the contents of a truck, etc., by tilting; dumping. b) pl. (concr.) Material tipped or emptied out from a quarry, etc (no examples)</td>
</tr>
<tr>
<td><strong>tipping, n.2 (3c)</strong></td>
<td>A railway embankment. <em>local.</em></td>
</tr>
<tr>
<td><strong>tipping, n.2 (3d)</strong></td>
<td>attrib., as <em>tipping machine, tipping platform,</em> <em>tipping wagon:</em> cf. TIP-<em>comb.</em> form.</td>
</tr>
<tr>
<td><strong>tipple, n.3</strong></td>
<td><em>U.S. local.</em> Equals TIP, n.5.3</td>
</tr>
<tr>
<td><strong>tipple, v.1 (5)</strong></td>
<td>intr. To rain heavily; to gush, to pour. Freq. const. <em>down</em></td>
</tr>
<tr>
<td><strong>tippler, n.3 (1)</strong></td>
<td><em>(One who or that which tips or turns over: spec)</em> A frame or cage into which a wagon, truck, or tub is run, and which is then revolved so as to invert the wagon and discharge its contents.</td>
</tr>
<tr>
<td><strong>tip, n.6</strong></td>
<td>Intoxicating liquor; a draught of liquor. Also in comb. tip-merry adj. merry with liquor, slightly intoxicated.</td>
</tr>
<tr>
<td><strong>Tipper, n.2</strong></td>
<td>A kind of ale brewed in Sussex. <em>(nb: Etymology: &lt; the name of Thomas Tipper (d. 1785), who first brewed it.)</em></td>
</tr>
<tr>
<td><strong>tipple, n.1</strong></td>
<td><em>colloq.</em> or <em>slang.</em> Drink, liquor for drinking; <em>esp.</em> strong drink. Also <em>attrib.</em> <em>(quot. 1617; or perh. There the verb-stem in combination).</em></td>
</tr>
<tr>
<td><strong>tipple, v.2 (4)</strong></td>
<td><em>fig.</em> <em>(from 2).</em> To render unsteady, make drunk intoxicate. slang. Obs. <em>(Cf. TIP n.6)</em></td>
</tr>
<tr>
<td><strong>tipple, v.1 (3)</strong></td>
<td><em>trans.</em> To intoxicate, make drunk. See also <em>tippled adj.</em> at Derivatives below. <em>Obs</em></td>
</tr>
<tr>
<td><strong>tipsy, adj. (a)</strong></td>
<td>Affected with liquor so as to be unable to walk or stand steadily; partly intoxicated: often <em>euphemistic</em> for intoxicated, inebriated, drunk.</td>
</tr>
<tr>
<td><strong>tipsy, adj. (b)</strong></td>
<td>transf. Characterized or accompanied by intoxication; arising from or causing tipsiness</td>
</tr>
<tr>
<td><strong>tipsy, adj. (c)</strong></td>
<td><em>fig.</em> Affected as if by intoxicating liquor; unsteady as if from drink; inclined to tip or tilt.</td>
</tr>
<tr>
<td>Tipple, v.1</td>
<td>Trans. To drink (intoxicating liquor), esp. to take (drink) constantly in small quantities.</td>
</tr>
<tr>
<td>Tipple, v.1 (2c)</td>
<td>Transf. and poetic. To drink, sip. Intr. and trans. Now rare or Obs.</td>
</tr>
<tr>
<td>Tipple, v.1 (2d)</td>
<td>Trans. With away, up: To spend, squander, lose, or get ride of by tippling.</td>
</tr>
<tr>
<td>Tippler, n.1 (2)</td>
<td>One who tipple; a habitual drinker of intoxicating liquor (implying more or less excess, but usually short of positive drunkenness).</td>
</tr>
<tr>
<td>Tippler, n.1 (1)</td>
<td>A retailer of ale and other intoxicating liquor; a tapster; a tavern keeper. Obs</td>
</tr>
<tr>
<td>Tip, v.4 (1a)</td>
<td>Trans. (Rouges’ Cant, and slang.) To give; to hand, pass; to let one have; to put on, present, or exhibit the character of: usually with dative of person: in various connections and shades of meaning; sometimes little more than ‘do’.</td>
</tr>
<tr>
<td>Tip, v.4 (1b)</td>
<td>Trans. (Rouges’ Cant, and slang.) To give; to hand, pass; to let one have; to put on, present, or exhibit the character of: usually with dative of person: With a coin or sum of money as obj. (Hence sense with 2, in which the person, here the indirect or dative, becomes the direct obj.) Also with up and absol.</td>
</tr>
<tr>
<td>Tip, n.3</td>
<td>A small present of money given to an inferior, esp. to a servant or employee of another for a service rendered or expected; a gratuity, a douceur: see tip v.4 2. Also, a present of money given to a schoolboy by an older person.</td>
</tr>
<tr>
<td>tip, v.4 (2a)</td>
<td><em>colloq. (orig. slang).</em> To give a gratuity to; to bestow a small present of money upon (an inferior), esp. upon a servant or employee of another, nominally in return for a service rendered in order to obtain an extra service; also upon a child or schoolboy. Const. with</td>
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<tr>
<td>tip, v.4(2b)</td>
<td><em>colloq. (orig. slang).</em> absol. To give a gratuity or gratuities.</td>
</tr>
<tr>
<td>tippable, adj (1)</td>
<td>[tip v.4] Designating one who may be tipped, or who is open to tips or <em>douceurs</em>. Occas. absol. as <em>n</em>.</td>
</tr>
<tr>
<td>tippee, n (1)</td>
<td>[&lt; tip v.4 2 + -ee suffix1.] One who is ‘tipped’; the receiver of a ‘tip’ or gratuity.</td>
</tr>
<tr>
<td>tipper, n.1 (4)</td>
<td>[tip v.4] One who gives a ‘tip’ or gratuity.</td>
</tr>
<tr>
<td>tipping, n.4</td>
<td>The action of TIP, v.4; the bestowing of gratuities: see TIP, v.4.2.</td>
</tr>
<tr>
<td>tip, n.4 (a)</td>
<td>A piece of useful private or special information communicated by an expert; a friendly hint; spec. ‘an advice concerning betting or a Stock-Exchange speculation intended to benefit the recipient’ (Farmer Slang); also, a hint as to special points thought likely to come up in an examination; hence transf. a special device, ‘wrinkle’, ‘dodge’. (The simple word was prob. in use before 1845.)</td>
</tr>
<tr>
<td>tip, v.4 (3a)</td>
<td>Phrase. <em>to tip the (or a) wink</em>, to give a wink to a person as a private signal or warning. Also <em>to tip a nod</em>.</td>
</tr>
<tr>
<td>tip, v.4 (3b)</td>
<td>To indicate privately by a wink or the like</td>
</tr>
<tr>
<td>tip, v.5 (1)</td>
<td><em>trans.</em> To give a ‘tip’ or piece of private information about; esp. to mention or indicate as a probable winner, a profitable speculation, etc</td>
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<tr>
<td>tip, v.5 (2)</td>
<td>To give a ‘tip’ to; to furnish (a person) with private information as to the chances of some event; to warn, alert, or inform (a person); to make known or give away (someone or something). Freq. const. <em>off. slang</em> (orig. U.S.)</td>
</tr>
<tr>
<td>tip, v.5 (3)</td>
<td><em>intr.</em> To furnish 'tips'; to carry on the business of a tipster.</td>
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<td>Definition</td>
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<tr>
<td>tippee, n (2)</td>
<td>[ &lt; tip v.5] One who receives inside information about a company or business enterprise and uses it to trade profitably in stocks and shares. orig. and chiefly U.S.</td>
</tr>
<tr>
<td>tipper, n.1 (5)</td>
<td>[tip v.5] One who gives ‘tips’ or private information; a tipster.</td>
</tr>
<tr>
<td>tipping, n.5</td>
<td>The giving of ‘tips’ or private information as to the chances of sporting events, etc. Also attrib.</td>
</tr>
</tbody>
</table>
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