Sociological Theory Readings

RATIONAL CHOICE THEORY

Homans (1964): Bringing Men Back In

https://www.jstor.org/stable/2090864

Summary

- The functional school's propositions about the general equilibrium of society are merely inconclusive psychological assertions. In particular, what failed them were not necessarily their empirical interest but their general theory, because functionalist propositions are not theories at all.

Theoretical Argument

- Set up
  - Functionalism = structural functionalism
    - A school of thought led by Durkheim and Radcliffe-Brown
    - Functionalists study three main things: (1) norms, (2) interrelation of institutions – hence *structural* functionalism, and (3) the *functions* (i.e. consequences) of social institutions
  - Durkheim noted that there are social facts that are not just corollaries of psychology because they are not derived from internal consciousness but from external pressures
  - Functional analysis ≠ functional theory
    - Functional analysis is to start from an institution and figure out its impact it has on the other aspects of the social structure
    - Functional theory's role is to explain social phenomena, including the findings of functional analysis
- Functionalism failed because its general theory cannot explain social phenomena
  - Criteria for something to be a theory
    - The explanation of a phenomenon is the theory of a phenomenon
    - A theory is a set of propositions that form a deductive system such that "the lowest order proposition follows as a logical conclusion from the general proposition under the specified conditions"
    - When the conclusion follows logically, the proposition has explanatory power and so can be regarded as a theory
  - What functionalism suggests
    - Functionalist general propositions usually take the following form: "A social system must possess institutions of Type X to survive or to remain in equilibrium"
      - E.g. If a society is to survive or remain in equilibrium, it must possess conflict-resolving institutions
      - Problem 1: The proposition does not contain a criterion for what it is to be in equilibrium, let alone a dynamic equilibrium
        - One cannot conclude, deductively, from looking at a society and its institutions, whether or not it will remain in equilibrium because the proposition does not specify what it means to be in equilibrium
      - Problem 2: The proposition does not contain a criterion for what survival is
        - E.g. Scotland has its distinct legal and religious conflict-resolving institutions, but in a strict sense of survival, it has not survived because it integrated with England to form part of the UK

        - It cannot be deduced, just from the proposition alone, whether a society will survive because what it means for a society to “survive” remains unclear.
    - Hence, functionalist theories are NOT theories
        - Analysis ≠ explanation
        - Conceptual scheme ≠ theory
        - If a theory is an explanation, functionalists are not successful, but perhaps because their “theory” is not a theory after all.
- An alternative theory can explain what functionalist claim to be able to explain
    - Minimum unit of analysis in functionalist school is the role – a cluster of norms – not individuals
    - Coleman (1964) argues norms arise out of self-interest
        - An agent is more likely to perform an activity the more valuable the rewards of performing it
            - Self-interest is not just economical but also psychological
            - Note: not a sociological proposition but a statement about the behaviour of individuals
        - People conform to the norm because they have “internalised” the values embodied in the norm
            - Malinowski (1959): people are usually rewarded according to how well their behaviours approximate the norm and punished for exhibiting deviant behaviour
            - Problem: some norms are not naturally rewarding so it is a mistake to suggest they would be internalised
                - PP adds: E.g. norm of exiling women into menstruation huts during their period, which takes girls away from school and puts women at risk to a number of diseases
    - Since norms, which sociologists take for granted, can be explained through a deductive system of psychological propositions, then any sociological propositions are just psychological propositions about the behaviour of individuals, not of society
        - Small group research has been successful in explaining how social status emerges in a small scale
        - Smelser (1959), in attempting to overcome the charge that functionalists cannot explain social change, describes how innovation arises in the British cotton textile industry but Homans (1964) shows that the steps described do not have roles as the fundamental unit of consideration but instead appeal to the individual level; the argument can be rephrased as set of psychological steps which provides the same conclusion

Opp (1999): Contending Conceptions of the Theory of Rational Action

0951-6928[1999/04]11:2; 171-202; 007628

Summary

- Opp (1999) distinguishes between wide and narrow accounts of rational choice theory. According to the wide version, beliefs, altruism, norms and social sanctions in explaining behaviour can also be used to explain agents' behaviours. On the more restrictive narrow account however, the kinds of preferences and constraints to be used in explanations are restricted. Opp prefers the narrow version of the theory, citing the following five reasons: "(1) preferences and beliefs cannot be measured; (2) the wide version is tautological, circular, empty or trivial; (3) predictions with the wide version are difficult; (4) the assumptions of the narrow version are sufficient to explain behaviour; (5) when problems [of inadequacy] are encountered, the narrow version should only be applied to situations where it works."

Theoretical Argument

- Both the narrow and the wide version are thick accounts of rational choice theory, per Ferejohn's (1991) typology, as they both specify the agent's preferences
- The narrow version is a special case of the wide version
- Common assumptions (quoted directly from the text)
  - PREFERENCE PROPOSITION: Individual preferences (or goals) are conditions of behaviours which are instrumental in satisfying the respective preferences
    - PP adds: agents act in line with their preferences
  - CONSTRAINTS PROPOSITION: Anything that increases or decreases the possibilities of an individual to be able to satisfy her or his preferences by performing certain actions (i.e., opportunities or constraints) is a condition for performing these actions.
    - PP adds: what agents do are conditional on opportunities or constraints (anything that increases or decreases the possibilities of an individual to be able to satisfy their preferences by performing certain actions)
  - UTILITY MAXIMISATION PROPOSITION: Individuals choose those actions that satisfy their preferences to the greatest extent, taking into account the constraints.

Assumptions of the Narrow Version	Assumptions of the Wide Version
PREFERENCE PROPOSITION: agents act in line with their preferences	
CONSTRAINTS PROPOSITION: what agents do are conditional on opportunities or constraints (anything that increases or decreases the possibilities of an individual to be able to satisfy their preferences by performing certain actions)	
UTILITY MAXIMISATION PROPOSITION: agents choose those actions that satisfy their preferences to the greatest extent, taking into account the constraints.	
N1: Only egoistic preferences are relevant	W1: All kinds of preferences (including desire for social approval) may be explanatory factors
N2: Only tangible constraints (e.g. money, promotion, legal punishment) are relevant	W2: All kinds of constraints may govern human behaviour

Assumptions of the Narrow Version	Assumptions of the Wide Version
N3: Subjects are fully informed about their environment and about their own past and future behaviour	W3: Subjects may, but need not, be fully informed (this is the assumption of bounded rationality)
N4: Objective constraints are relevant	W4: Perceived (subjective) as well as objective constraints may be relevant
N5: Only constraints explain behavior	W5: Constraints and/or preferences may explain behaviour

Table adapted from Opp (1999)

- The measurement argument
  - Subjective phenomena, allowed by the wide version, cannot be reliably measured
    - BUT there are statistical innovations such as EQS or LISREL Structural Equation Modelling Softwares which enable the researcher to ascertain measurement errors and take them into account when estimating the coefficients of models
  - Even for objective constraints, as assumed in N4, we find that subjects sometimes cannot verbalise the information they have such that stated preferences may still suffer from measurement error
  - PP adds: While Opp claims he endorses the narrow version on grounds of the measurement problem, I find that his arguments point to the narrow version not being much better than the wide version
- The tautology argument
  - Barry (1978): the wide version is tautological
    - PP adds: I act according to what I perceive as being best for me
  - Upon initial examination, we do not find that the wide version is tautological in the analytical sense
    - An analytically true statement is a statement whose truth can be determined by analysing the meaning of its terms.
      - An analytically true statement: “all bachelors are unmarried” (we just have to look into the definition of what it means to be a bachelor)
      - A statement that may be true but is not analytically true: “Mr. Smith supports his children because he is intrinsically interested in their welfare”’
    - Since preferences and constraints do not translate directly to behaviour, we cannot determine one’s behaviour analytically by examining one’s preferences and constraints, so the wide account is not tautological
  - However, the true problems are as follows
    - Circularity: the wide version allows preferences and perceived constraints to be introduced on an arbitrary basis
      - E.g. suppose someone donates to a non-profit; the wide version will attribute it to the individual’s preference for altruism, yet there is no evidence why that should be the case aside from the fact that the person donated to the non-profit
      - BUT the narrow version also suffers from similar problems
        - The narrow version would explain the behaviour in terms of egoistic preferences (e.g. the person donated to gain a reputation for generosity), yet if we hold that no empirical evidence can be provided for the existence of preferences and perceived constraints, the narrow version’s assertion of egoistic preferences is also arbitrary
        - Solution: we can provide separate empirical evidence on preferences
          - We do not need hard data, whose validity is undisputed, to make such claims

        - We only need evidence that lends more plausibility to certain assumptions than to others
        - Failure to provide empirical evidence in support of extra assumptions would render the theory circular but this is the researcher's problem, not a built-in problem for rational choice theory itself
- Emptiness: every factor can become an explanatory variable so the wide version of rational choice theory is not falsifiable
    - Green and Shapiro (1994): the wide version is an example of "rational choice theories that are ... formulated so expansively that they absorb every alternative hypothesis"
    - We can show, using logic, that the range of application of the wide version of rational choice theory is larger than that of the narrow version
        - Narrow version: If S and not-R, then A
            - PP adds: $(S \wedge \neg R) \rightarrow A$
            - Only a set of factors S and not other factors R may bring about outcome A
        - Wide version: If S or R, then A
            - PP adds: $(S \vee R) \rightarrow A$
            - Either a set of factors S or other factors R may bring about the outcome A
        - BUT we can prove that the wide version is long
            - As keep adding variables to R, R converges to not-S
            - So we can restate the wide version of the theory as $(S \wedge \neg S) \rightarrow A$
            - Hence, we can successfully falsify the wide version
    - Another way to defang the criticism against the wide version is to say that the narrow version suffers from the same criticism too
        - "RCT requires that only those preferences and constraints are to be used in an explanation that are related to the behaviour to be explained."
            - Bohman (1992): Rational choice theory is about the proper relation between the individual's beliefs (B), desires (D), and the action (A) performed such that in light of B, A is the best way to satisfy D
        - Hence, while theoretically we may add however many variables into the wide explanation, if we restrict the variables to only that matter to the behaviour, we find that the sets of variables between the wide and the narrow accounts are not that different
        - PP adds: BUT what is relevant is also determined arbitrarily so this argument is weak
    - PP adds: maybe not a problem of tautology (always true) but rather that it cannot be disproved;
        - Not falsifiable does not imply analytically true; if a statement is not falsifiable, it may be analytically true
- Trivialness: the propositions of the wide version of rational action theory do not tell us anything beyond what we already know
    - Generally, we will find that the wide version raises more explanation-seeking questions than the narrow version because its set up is less specific; in this sense we can think of the wide version being more non-trivial
    - Critics of the wide version argue that the underlying assumptions of the wide version are trivial and so their theoretical implications are also trivial
        - BUT Nash Equilibrium follows from trivial assumptions but is a non-trivial result
    - It is difficult to say whether explanations of the narrow or wide version are trivial in general because whether or not something is trivial is subjective. I may find an explanation to be non-trivial but you can find the exact same explanation trivial.

- The predictability argument
  - The narrow version provides a simpler and more elegant way of predicting human behaviour
  - Number of factors limited
    - PP adds: E.g. in predicting who will join a protest, we only look at relevant factors like ideological gap with the movement and not at other irrelevant or mildly relevant factors like favourite pop band
  - However, we face a conflict of goals; on the one hand, we want a simple and elegant explanation and on the other we want empirical validity; when faced with such a dilemma we should always prioritise empirical validity for "one will prefer a complicated and empirically valid explanation to a simple and elegant explanation that is wrong."
- The empirical argument
  - Narrow versions of rational choice theory are insufficient because there are social behaviours that disagree with what they assume
    - E.g. framing problem – a description of the same situation in different terms leads to different decisions; agents have limited ability to process information (and so rely on heuristics)
  - Some of these problems disappear once we take on the wide version instead
    - It has been shown, empirically, that people take into account costs that have arisen in the past
    - The narrow version holds that sunk costs will not be considered and only marginal costs will be taken into account so its implications do not match empirical findings
    - The wide version, which takes into account costs as they are perceived, provides a better match with the empirical data
  - Friedman's (1953): the assumptions of a theory are irrelevant and what matters is whether the predictions, i.e. the conclusions, of a theory are correct
    - BUT taking such a route ignores the basics of logical inference
    - ALSO many theories can have the same conclusion and we would have no way of testing which is correct if their assumptions are irrelevant
    - ALSO to not consider a theory's assumptions violate the philosophy of critical rationalism – a theory should be tested in as many ways as possible – widely held by most scientists
- The Swiss cheese argument
  - Some proponents of the narrow version concede that their theory does not work in all situations and claim it should only be applied to the cases where it works
  - Problem 1: If we take on this strategy, then rational choice theory is no longer a general theory of behaviour
    - "The narrow version looks like a Swiss cheese with a large number of holes in it. The holes are the behaviours that the version cannot explain or the situations where the version is not to be applied."
  - Problem 2: To do so restricts the explanatory power of the theory
    - Better to modify the theory so that it can account for the problematic cases as well
  - Problem 3: operationalisation; it is difficult to specify the situations in which the theory works and the situations in which it does not
    - E.g. We can specify that it only works in "low-cost" situations but what is low-cost? We can set up a numerical threshold but it is likely to only be arbitrarily defined.

- Combining the wide and narrow versions
  - Mixed models: Rescuing Jews under Nazi rule

- Rational choice theorists struggle to reconcile why some people rescued Jews under Nazi rule given that the costs of rescuing were very high and the benefits of such an act is unclear
- Narrow version
  - Consider the marginal changes in the constraints for rescuing activities, such as the varying levels of oppression against Jews in different countries; costs of rescue are lower in some countries
    - Oliner and Oliner (1988): the objective probability of repression was different between countries
    - Tec (1986): "the Nazis exercised little control in Denmark because the Danes were regarded as an Aryan race" (Opp 1999)
  - Positive material incentives
    - Gross (1994): reimbursing the rescue activities by villagers in Holland were crucial
    - Klingemann and Falter (1993): rescuers clearly had more resources (financial means, education, occupational status) than the control group and, it seems, also for the population.
    - BUT a large group of about 11,000 rescuers risked their lives to save Jews without receiving any material gain (Monroe 1991)
- Supplement the narrow version with the wide version
  - Rescuers had altruistic preferences
  - This claim is not arbitrary; there is a norm of altruism
    - Klingemann and Falter (1993): rescuers regarded themselves as religious and a relatively large proportion of rescuers worked in a socially oriented occupation
  - ALSO low risk perception among rescuers
    - Klingemann and Falter (1993): 68% of the rescuers interview were not concerned about being a victim of repression
    - Rescuing is a spontaneous decision, often made without consulting others

- Model Bifurcation: Explaining Revolutionary Action
  - Model bifurcation: two different models explain a given type of behaviour in different situations
  - The problem
    - Rational choice theory suggests we should not expect any bottom-up revolutions because "each typical individual who acts to overthrow a bad government gets only an infinitesimally small share of the benefits from any success" while they incur high costs of participation (Olson 1990)
    - Yet, several East European revolutions in 1989 and 1990, such as the East German revolution, were bottom-up revolutions
  - Narrow version alone fails
    - Data suggests the assumptions of the narrow version are not fulfilled
      - Many respondents thought their protest would contribute to political changes
    - ALSO severity of repression (costs) highest when people participated most
      - Opp (1994): Repression did not work because high repression raised positive incentives to participate
      - PP adds: people may make decisions taking into account the counterfactual
  - A mix of assumptions from the wide and narrow versions yield a more satisfactory explanation than assumptions of one type only

Evaluation

- Opp is a rational choice theorist himself so this is not a criticism of rational choice theory but rather a criticism of the wide version of rational choice theory

Green and Shapiro (1996): Pathologies of Rational Choice Theory : A Critique of Applications in Political Science

ISBN: 9780300066364

Chapter 2: The Nature of Rational Choice Theory

Summary

- Green and Shapiro (1996) explain the commonalities and differences between rational choice theories. They explore the varying requirements for universalisability rational choice theorists take as well as distinguish between the “internalist” and “externalist” accounts of rational choice.

Theoretical Argument

- There is not a common definition of what rational choice theory is
  - What rational choice theorists usually agree on is “an instrumental conception of individual rationality, by reference to which people are thought to maximise their expected utilities in formally predictable ways”

- Generally accepted assumptions
  - (1) Utility maximisation
    - Olson (1965): an individual's actions are rational when their objectives are “pursued by means that are efficient and effective for achieving these objectives,” given their beliefs
    - Riker (1990): This assumption is independent of particular goals
      - PP adds: an egalitarian or a capitalist may equally be described as maximising their utility if they are pursuing their respective goals
  - (2) Consistency of preferences
    - Two criteria for the agents’ preferences to be consistent
      - (1) Connectedness
        - It must be possible to put all the agents’ available options into a rank-order
        - PP adds: merely requires ordinal preference, not necessarily cardinal preferences
      - (2) Transitivity
        - If option A is preferred to B and B is preferred to C then A is preferred to C
        - i.e. If $A \succcurlyeq B$ and $B \succcurlyeq C$, then $A \succcurlyeq C$
  - (3) Each individual maximises the expected value of their payoff, measured on some utility scale (Luce and Raiffa 1957)
    - People make decisions based on their expected utility under conditions of uncertainty
    - Expected utility is the utility one would get in a particular outcome multiplied by the probability of that outcome occurring in an event with uncertainty
  - (4) Centrality of individuals in explaining collective outcomes
    - The unit of consideration is individuals
      - In contrast, evolutionary theorists consider the basic unit of survival to be species
  - (5) Models apply equally to all persons under study
    - Stigler and Becker (1977): decisions, rules and tastes are stable over time among similar people
    - Homogeneity

    - Assume away unusual utility functions
    - This assumption is usually justified on grounds of theoretical parsimony (cannot have a model for each specific case)

- Competing views of rational choice (where rational choice theories differ)
  - Robustness of assumptions about human goals
    - Ferejohn (1991)
      - Thin-rational accounts: agents are rational if they efficiently employ the means available to pursue their ends
        - Riker (1990): as long as the consistency and the Arrowian weak ordering assumptions are met, any choice can be interpreted as rational
          - Suicide is also rational because self-interest is tautological; whatever I do to myself is always in my best interests
      - Thick-rational accounts: thin-rational account + description of agents' preferences and beliefs
        - Agents typically assumed to value the same things e.g. wealth, income, power
        - Hobbes: agents maximise power
        - Bentham: agents maximise pleasure
  - Amount of relevant information that agents can normally be presumed to possess and act on
    - Perfect information
      - Conventional neoclassical models of market behaviour assume that consumers have perfect information and that they have the ability to understand and use that information
      - Such an assumption is unrealistic, particularly if we tried to apply them to politics; voters – the agents in this case – are usually ill-informed on policies
    - Imperfect information
      - Reflects the fact that acquiring information is time consuming and costly
      - Downs (1957): an agent invests in procuring data until the marginal return of that data equals the marginal cost
        - Problem 1: As Elster (1986) notes, Downs' suggestion implies that the agent has to assess the value of information they do not yet have in order to determine whether it is worth taking the trouble to gather that information
        - Problem 2: Strategic foresight is not costless since we observe that actors are myopic (Krehbiel and Rivers 1990)
          - Note: if we allow for cognitive costs, myopia can be construed as being rational

- Rational choice conceptions of explanation
  - Most rational choice accounts can be characterised with respect to their
    - (1) Type of argument
    - (2) Universalism
  - Type of argument
    - "Internalist" theories of rational choice hold intentions as causes (Satz and Ferejohn 1993)
      - Elster (1986): three sets of requirements for something to be a rational choice explanation
        - (1) Three optimality conditions
          - The action is the best way for the agent to satisfy their desire, given their belief
          - The belief is the best they could form, given the evidence
          - The amount of evidence collected is optimal, given the agent's desire
        - (2) Two consistency conditions

    - Both the belief and the desire must have no internal contradictions
    - For any action X the agent performs, the reasons (desires) for not performing X must be less weighty than the agent's desires for performing X
  - (3) Three causal conditions
    - The action must be determined by the agent's desire, given their belief
    - The agent's belief must be determined by the evidence they have
    - The amount of evidence collected is determined by the agent's desire
    - Note: Elster uses *caused*, but I use determine since I feel it fits the two latter statements he does not explicitly address better
      - Caused, or determined in this case, requires whatever that has been caused to be *intended* by the agent to produce the effect it in fact produced
  - Problem 1: these requirements are too strong
    - Solution: take agents' beliefs as given
      - Problem: Downs (1957) points out that if we take the agent's beliefs as given, we will not be able to distinguish between the mistakes of rational agents (due to having faulty beliefs) and the normal behaviour of non-rational agents
      - Reply: distinguishing between the two is possible empirically
      - Problem: empirical assessment prone to measurement errors
        - It is very difficult to determine if an agent empirically did the rational thing because they consistently held a rational belief and updated their beliefs as new evidence arise or because they consistently held a belief that only became rational after new evidence has arisen
        - PP adds: John is offered a gamble. If he beats his competitor in a 100m sprint, he will gain £100 and if he loses he will lose £100. John irrationally, albeit firmly, holds the belief that he will beat his competitor, "Usain Bolt," in the competition and so takes up the offer. Just as they were about to set off on the tracks, it was revealed to him that his competitor was not *the* Usain Bolt but rather a lookalike who happens to have their tendons injured and cannot run. John's belief that he will beat his competitor in the race was initially irrational but became rational once the new evidence has been revealed. We would struggle to determine, based on the empirical fact that he decided to participate, whether John was in fact rational.
  - Problem 2: rational choice theory is not supposed to be about an internal psychological mechanism but about how society interacts with the individual to determine particular outcomes; the internalise account is unattractive, and we should instead adopt the externalist account
    - Simon (1955): the "psychology of choice often differs significantly from the deliberative processes of rational choosing"
- The "externalist" account of rational choice theory holds that a rational choice is the best choice taking into account the environmental constraints and their effects.
  - Unlike their internalist counterpart, the externalist account does not depend on psychological foundations
  - Nonetheless, recognising that choice flows from the agent, externalist explanations rational choice must also be compatible with, though not necessarily deducible from, the agents' intentions and the maximising behaviour we assumed they have (Satz and Ferejohn 1993).
  - Problem: Taking the externalist group-based approach suggests we can test rational choice hypotheses using evolutionary theory, since it similarly employs a group-based approach. Yet, we struggle to employ evolutionary theory as proof of the thesis.

    - Natural selection theory suggests that animals will develop the traits that are most conducive to the survival of their species
    - Hence, it cannot be used to explain why humans go to war
        - PP adds: a possible objection here is that people go to war when resources are scarce as consequence of overpopulation; war ensures "survival of the fittest," or rather "survival of the most tactical" in the age of mechanised weapons; these are desirable traits for the species
    - Also, natural selection is multi-dimensional; the physical changes in an organism may be the product of developments with respect to two conflicting forces such that we cannot infer from those developments the existence of either in isolation (PP adds: to make such inferences would amount to an omitted variable bias)
        - So evolutionary theory cannot be used as a test for the externalist hypothesis

- Universalism and the search for equilibria
    - Rational choice theorists firmly believe that their ideas are universalisable and that the failures of empirical social science stem from the lack of subscription to a unifying theory
        - Ferejohn (1991): agents always act to maximise their well-being (as they take it to be), based on their beliefs, preferences, and strategic opportunities
        - Noll and Weingast (1991): rational action theory "should seek consistency and universality"
    - For many rational theorists, to search for a theory is to search for a social equilibirum
        - Ordeshook (1986): equilibria generally take the form of "If the institutional context of choice is X, and if people's preferences are Y, then the only choices and outcomes that can endure are Z"
            - Has both the elements of a journalistic interpretation and statistical correlation
        - Riker (1990): "Social equilibria occur when actors choose in the most advantageous way, given the choices of others, and reach an outcome they would not wish to depart from. That is, they would not wish to have chosen differently because the outcome reached is the best they can achieve under the circumstances"
        - If there is an equilibrium then we can predict outcomes, but if an equilibria does not exist, then society would be chaotic. Thus, many sociologists have made it their prime task to uncover social equilibria.
    - Can an equilibrium be identified in politics? What are the implications for the robustness of rational choice theory if we can/cannot establish an equilibrium?
        - The following views are ranked in terms of demandingness
            - All or nothing
                - Riker (1980): if determinate predictions cannot be derived from the laws that describe the equilibrium, then rational choice theory is no more than a set of generalised empirical claims – it cannot propose equilibria
            - <u>Partial universalism</u> (rational individual maximisation explains parts of what goes on in every domain of politics, although not in its entirety)
                - Elster (1986): even if we end up with multiple equilibria and cannot specify one determinate equilibrium in particular, the theory is still useful because it helps us narrow down the scope of our analysis
                - Ordeshook (1986): the discovery of a lack of an equilibrium can give clues to which outcomes we can anticipate, so rational choice theory is useful nonetheless
                - PP adds: In reality we are very likely to face multiple equilibria; Folk Theorem suggests that if the players are patient enough and far-sighted (i.e. if the discount factor is low), then repeated interaction can result in a multitude of feasible, individually rational average payoff in an SPE equilibrium.

- Segmented universalism (rational choice explanations are only successful in certain domains of political life)
  - The circumstances in which is rational choice is most likely to be successful
    - Rational choice theory tend to be more successful in politics when that aspect of politics is more similar to economics e.g. more successful in explaining bureaucratic capture than in explaining ethnic riots
    - Maoz (1990): low stress; low stress implies low motivation and low practical constraints so agents are more likely to resort to standard problem solving methods; emotional factors experienced in high stress environments may also inhibit rational decision making
    - Elster (1986): similarly, "rational choice explanations are more likely to be correct when the options confronting an agent are fixed rather than when they hinge on the possible actions of others, and in less urgent decisions than in more urgent ones" (Green and Shapiro 1996)
    - Aldrich (1993): "rational choice models will be useful when the stakes are substantial and when the actions of the individual have a significant impact on the disposition of the stakes" (Green and Shapiro 1996)
      - E.g. Brennan and Buchanan (1984) claim that rational choice theories cannot predict voting behaviour because people do not consider voting as an investment (hence low stakes) because the changes of their votes being pivotal is infinitesimally low
  - Rational choice theorists should develop their account for the cases in which they currently systematically fail to secure an equilibrium in e.g. explanation of voter turnout
  - Problem: if rational accounts are only universalisable in some domains but not others, then it is not universalisable after all
    - Reply: Employing a meta-rational view, we realise that it is not strategically worthwhile to behave strategically in some circumstances
    - ALSO many externalist rational choice theories are thick accounts, which means they are specific by nature
- Family of theories
  - "Defenders of the family-of-theories view contend that there is no single rational choice theory and that different rational choice theories rely on competing assumptions and generate quite different predictions" (Green and Shapiro 1996, Chapter 8)

Chapter 3: Methodological Pathologies

Summary

- Green and Shapiro (1996) explain some criticisms against rational choice approaches.

Theoretical Argument

- Note: I only listed the things I understood
- *Slippery predictions*
  - Rational choice theories often contain latent parameters such as tastes, beliefs, decision rules
  - Often these are unobservable

- As the ratio of these parameters grow in comparison to observable parameters, it becomes harder to test whether the theory works or not
- Bollen (1989): this problem is akin to under-identification in statistical models
- Solution 1: gather additional data so we measure more variables (this approach is usually not taken by rational choice theorists; seems more like what political scientists do)
- Solution 2: limit the domain to which the theory applies to reduce the number of latent variables
  - PP adds: segmented universalism
  - Problem: *Arbitrary domain restriction*; sometimes scholars will restrict the domain of analysis so as to produce evidence to support their hypothesis

Evaluation

- Rational choice theory is quite a new idea within the social sciences so it is not surprising that some of the criticisms posed will be correct; nonetheless, we should not let those criticisms bar us away from developing more sophisticated versions of the theory (from Green and Shapiro 1996, Chapter 8)

Coleman (1988): Social Capital in the Creation of Human Capital

https://www.jstor.org/stable/2780243

Summary

- Coleman (1988) explains what is meant by social capital, the nexus between the sociological and the economic accounts, distinguishing it from financial and human capital. He identifies three types of social capital: obligations, information channels and norms, providing examples on how each can be used as a resource by the agent.

Theoretical Argument

- Two intellectual streams used to explain social action
  - Socialised actor (sociologists usually take this view)
    - The agent's action is governed by social norms, rules, and obligations
    - Problem: the agent is driven by their environment and has no independent "engine of action"
  - Independent actor (economists usually take this view)
    - Each agent independently maximises their utility
    - Problem: empirical reality suggests that people's actions do not depend only on themselves but also on the social context they face (e.g. norms, social networks, social organisation, interpersonal trust)
  - Acknowledging these flaws, there has been some attempts in the literature to combine the two approaches
    - Ben-Porath (1980): "F-connection"; families, friends and firms can affect economic exchange
    - Baker (1983): even in the Chicago Options Exchange, a highly rationalised market, relations between floor traders are developed, maintained and affect their trades
    - Granovetter (1985): economics fails to recognise the importance of "embeddedness" – concrete personal relations and network of relations – in generating trust, establishing expectations and enforcing norms; social structures are not there just to fulfil or facilitate economic functions but are structures with history and continuity that give it an effect, independently of economic systems
- Coleman's aim, however, is different. He wants to import the economic rational action approach into sociology but apply it (1) not only to economic systems and (2) without discarding the sociological ideas of social organisation

- What social capital is
  - Social capital can be construed as a resource available to the actor in rational action theory
  - Social capital is defined by a function of a variety of entities that (1) consist of some aspect of social structures and (2) facilitate certain actions of persons or corporate actors within the structure
    - May be limited to certain activities like how physical capital such as specialised machinery are not suited to do all tasks

- Unlike human or physical capital, social capital is not located within the actor or in a particular object; it inheres in the structure of *relations* among actors
- Examples of forms of social capital
  - Wholesale diamond markets
    - While negotiating a sale, a merchant will hand the bag of diamonds to another for them to verify at their leisure without any formal insurance against the other replacing the stones with a replica in the process, even if the merchandise was worth a hundred thousand dollars
    - This free verification process is very important to the market because without it, there would have to be much more complicated and cumbersome processes taking place
    - Such a verification process is enabled by very close ties within the merchant community
      - "The wholesale diamond market in New York City, for example, is Jewish, with a high degree of intermarriage, living in the same community in Brooklyn, and going to the same synagogues. It is essentially a closed community."
      - These ties provide the insurance necessary to uphold the free verification process
      - E.g. if a merchant were to play foul, they would risk losing their family, friends and religious community
  - South Korean radical activists
    - Radical thought is passed on through "study circles"
    - Study circles consisted of students from the same high school or hometown or church
    - Members of different circles never meet but communicate via an appointed representative to avoid detection
    - These study circles constitute a form of social capital which facilitate dissent
  - Mother feels children are safer in Jerusalem than in suburban Detroit
    - She reports feeling that her children are looked out for by the community
    - This suggests there are social ties in Jerusalem not present in the US
  - Kahn El Khalili market of Cairo
    - The merchants of the Kahn El Khalili market seem to sell everything
    - E.g. an owner of a leather shop when queried where to find jewellery will turn out to sell that too, or when asked where the currency exchange is will suddenly offer that service as well
    - This type of trade is enabled by the relations between the merchants in the market
      - Familial relations
      - Commissions for bringing in customers
    - "one can see the market as consisting of a set of individual merchants, each having an extensive body of social capital on which to draw, through the relationships of the market"

- Forms of social capital
  - <u>Obligations, Expectations, and Trustworthiness of Structures</u>
    - "If A does something for B and *trusts* B to reciprocate in the future, this establishes an *expectation* in A and an *obligation* on the part of B."
      - The obligation B carries means A holds a "credit slip" for B performing the act in the future
      - The greater the number of outstanding "credit slips" at a time a society has, the higher their level of social capital
    - The Kahn El Khalili market illustrates an extreme case of this type of social capital
      - In less co-dependent societies, there are fewer outstanding "credit slips" at any point in time

- This form of social capital depends on (1) the trustworthiness of the social environment – whether obligations will be repaid – and (2) actual extent of obligations held – what kinds of favours are exchanged
- Different individuals may have different amounts of "credit slips"
  - E.g. wealthy families in a small village will have built up extensive stocks of credits that they can call in at any time because their wealth enables them to engage in more favours so more people owe them for those favours
- Information channels
  - There are costs to acquiring information
    - PP adds: E.g. some media/data sources have a paywall; spending time reading the news carries an opportunity cost of spending time on other things that may be more worthwhile
    - "At minimum, it requires attention, which is always in scarce supply"
  - Social relations, maintained for other purposes, can help one gather information
    - These relations are not "credit slips" because there is no obligation involved; they simply facilitate the flow of information, thus reducing the cost in accessing it
  - Katz and Lazarsfeld (1955): A woman in the midwestern city around 1950 who is interested in fashion, but is not interested in being at the edge of fashion, will rely on friends she knew kept up with fashion as sources of information
    - Similar logic follows with keeping up with the news
- Norms and effective sanctions
  - Norms that exist and are effective are powerful but fragile forms of social capital
  - PP adds: E.g. the existence of an effective norm against racist conduct makes it possible for racial minorities to travel alone without having to fear for their safety
  - These norms facilitate certain actions but constrain others
    - Problem: Merton (1968): Effective norms in an area can reduce not only deviant actions that harm others but also deviant actions that can benefit everyone (i.e. innovation)

- Social structures that facilitate social capital
  - The closure of social networks
    - Ullmann-Margalit (1977): For an action to become an effective norm, it is a necessary but not sufficient condition that it has to have an effect on others
    - "Norms arise as attempts to limit negative external effects or encourage positive ones"
    - In a society with closure, if A wrongs B and C, they can combine forces to act against A; without closure, however, B and C has to be harmed to a greater extent before acting against A since there is no linkage between B and C that enables them to join forces

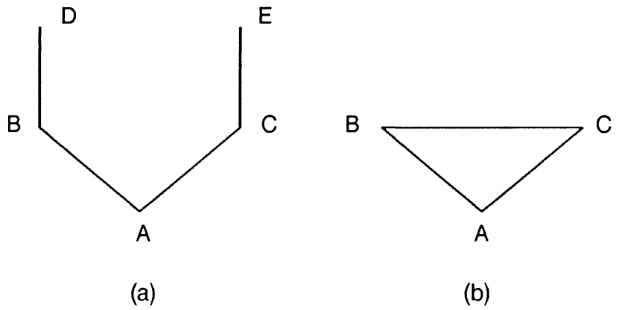


FIG. 1.—Network without (*a*) and with (*b*) closure

- Coleman also talks about intergenerational closure (using a different diagram) but I have not put it here (see p.14)

- Appropriable social organisation
  - An organisation can become a form of social capital
  - Lipset, Trow and Coleman (1956): monotype operators in the New York Typographical Union formed a Monotype Club
    - Although initially established as a social club, it later became an effective employment referral service
    - The club also grew to have a political role, having subsequently served as an important source of social capital for the Independents to sustain the party as an organised opposition while the Progressive Party was in office
  - Gluckman (1967): simplex vs multiplex relations
    - In multiplex relations, persons are linked in more than one context (neighbour, fellow worker, fellow parent, coreligionist, etc.) but in simplex relations, persons are only linked in one context
    - Multiplex relations allow the resources of one relationship to be appropriated for use in others
      - E.g. two parents who see each other as neighbours may occasionally exchange information about their teenagers' activities
    - Resources can be obligations or just information

- Social capital in the creation of human capital
  - Social capital in the family
    - Social capital ≠ financial capital ≠ human capital
      - E.g. family background can affect schooling outcomes; family background can be split further into financial capital, human capital and social capital
        - Financial capital provides the physical resources that can aid achievement; e.g. family income
        - Human capital provides the potential for a cognitive environment for the child that aids learning; e.g. parents' education
        - Social capital, which gives the child access to the adult's human capital, depends both on (1) physical presence of adults in the family and (2) the attention given by the adults to the child
          - Lack of strong relations between adults and child can result from the embeddedness each generation has with fellow members of their generation (PP adds: e.g. teenager who only hangs out with teenagers and refuses to spend time at home with their family)
          - Without ties between the parents and the child, the child does not profit from whatever human capital exists in the parents because the social capital is missing
    - An empirical example: dropout rates
      - Studied a random sample of 4,000 public school students using a weighted logistic model
      - Model variables: socioeconomic status, race, Hispanic ethnicity, number of siblings, number of changes in school due to family residential moves since fifth grade, whether mother worked before the child was in school, mother's expectation of child's educational attainment, frequency of discussions with parents about personal matters, and presence of both parents in the household
      - The amount of social capital available to a child depends on the number of parents present and the amount of siblings they have (less parents and more siblings means the parents' attention is more diluted)
      - Dropout rates between Grades 10 and 12 were higher for single parent households and households with more children

    - The drop out rate for a child in a household with two parents and one sibling was 10.1% which is significantly less than the drop out rate for a child with one parent and four siblings (22.6%)
  - Dropout rates are lower in groups where mothers expect their child to go to college
    - Expectation is a form of social capital
  - Note: frequency of discussions with parents about personal matters – another measure of social capital – shows no impact on dropout rates
  - Overall, we see that high social capital is associated with lower drop out rates
- <u>Social capital outside the family</u>
  - Families who send their child to a religiously based high school have intergenerational closure that is based on a multiplex relation (adults are in the same religious community; children are in the same school)
  - Dropout rate between sophomore and senior year in Catholic schools is strikingly low
    - Public schools: 14.4%
    - Private schools: 11.9%
    - Catholic schools: 3.4%
  - The difference is not due to Catholic teachings but is associated with frequency of attendance of religious services (which itself is a measure of social capital through intergenerational closure)
    - In a public school, Catholic students are only slightly less likely to drop out than non-Catholics
    - 19.5% of public school students who rarely or never attend services drop out between Grades 10 and 12; in contrast, only 9.1% of those who attend religious services often do so
    - PP adds: maybe it is about the nature of the school environment
      - Catholic schools are often led by religious figures who tend to be more benevolent, thereby making the school environment more pleasant than public schools
      - The demographics of the pupils in public schools are more diverse; the principle of homophily suggests that people tend to have (non-negative) ties with people who are similar to themselves in socially significant ways; students who attend Catholic schools may have “more friends” because there are larger numbers of individuals socially similar to themselves that they have a greater tendency to befriend; thus, the Catholic school environment may be more pleasurable for Catholics
        - Being Catholic may have an interaction effect with number of Catholics around
        - Hence, we can add a dummy variable $Catholic$ in the regression of dropout rates along with an interaction term $(Catholic \times NumberOfSurroundingCatholics)$
        - We can discern the effect by comparing Catholic schools with a public schools with a similar proportion of Catholics

- Public goods aspect of social capital
  - The benefits of most forms of social capital cannot be captured by those who invest in them so there is an underinvestment in social capital
    - There are positive externalities usually not considered
      - E.g. When an individual asks a favour from another, thus incurring an obligation, they do so because it brings him a needed benefit; the actor does not consider that it does the other a benefit as well by adding to a drawing fund of social capital available in a time of need
    - Often it would be hard to estimate the impact, for instance when the social capital comes in the form of norms which requires multilateral coordination to sustain

    - Just because I behave according to some standards does not mean others will do so and it is hard to form conjectures on what each actor would do, so I tend to not consider the impact of my actions on norms
- Nonetheless, there are forms of social capital that only those who invest in it can benefit from it; these forms of social capital are not underinvested in as a result
  - PP adds: E.g. prestigious social clubs

Wilkinson (1996): Unhealthy Societies : The Afflictions of Inequality

Richard G. Wilkinson. (1996). Unhealthy Societies : *The Afflictions of Inequality*. Routledge.

Chapter 6: A small town in the USA, wartime Britain, Eastern Europe and Japan

Summary

- Wilkinson (1996) draws on case studies from Roseto, PA – a small town in the USA, wartime Britain, Eastern Europe and Japan to show that while absolute income affects health through the direct physiological effects of material circumstances, relative income affects health inherently via social elements in the causal processes

Theoretical Argument

- Britain in Wartime
  - Winter (1988): One of the largest increases in life expectancy for Britain in the twentieth century came during the two world wars, despite the fall in living conditions due to bombing
  - Winter (1985): The war-induced return to full employment and dramatic reduction of income differences led to a levelling up of health standards
    - Milward (1984): real post-tax income for the working class rose by 9% but fell by 7% for the middle class
    - BUT what about food rationing?
      - Some people got better nutrition because of the rationing programme
      - Response: Food rationing only occurred in the second world war but the life expectancy increased in both wars
  - Life during the war can be described by a sense of camaraderie
    - Three key factors contributing to the sense of camaraderie
      - (1) Psychological sense of unity in the face of a common enemy
      - (2) Market conditions with reduced unemployment, income differences and social division
      - (3) Deliberate policy designed to foster a sense of social unity and encourage cooperation during war effort
    - Difficult to tell which of these factors most important or how much each has contributed
    - There is also a snowballing effect because the improvement in one helps reinforce improvements in another
      - E.g. lower unemployment reduced social division among competing individuals in the same profession

- Roseto, Pennsylvania
  - Small town of 1600 people, mostly descended from Italian migrants
  - From the mid-1930s, Roseto had low death rates, particularly from heart attacks (40% lower), compared to neighbouring towns that were inexplicable by the usual risk factors such as diet, smoking and exercise (Wolf and Bruhn 1993)
  - Egolf et al. (1992): Roseto is characterised by “close family ties and cohesive community relationships”
    - Social cohesion was accompanied by egalitarian ethos (Bruhn and Wolf 1979)

    - Close knit community reduced stress and thus reduced risk of heart attacks
    - However, community ties loosened in the 1960s as young people moved away and the community became increasingly attracted to status symbols; Roseto lost its health advantage as a result of this

- The regions of Italy
    - [Skipping this part due to time constraints]

- Eastern Europe during the 1970s and 1980s
    - [Skipping this part due to time constraints]

Chapter 8: The symptoms of disintegration

Summary

- Wilkinson (1996) notes the socioeconomic divide in the causes of deaths.

Theoretical Argument

- Note: This is inexhaustive; skipped many parts due to time constraints
- There is usually a socioeconomic divide within the most common cause of death in a country, although exactly what that cause is differs from country by country
    - E.g. alcohol-related deaths in France, violence-related deaths in the US, heart disease in England and Wales
- Traffic accidents are one cause of death which is correlated to wider income disparities
    - Traffic accidents depends on the behaviour of both drivers and pedestrians
    - The extent to which traffic accidents occur is usually reflective of how people see themselves as related to unknown members of the public in society at large
        - PP adds: more equal societies may be reflective of people having more concern for others so they tend to be less reckless
- Homicide rates
    - Using data from Kaplan et al. (1996), it was found that “the correlation between homicide rates and the share of total household income received by the least well-off 50 per cent of the population across the 46 states for which data is available … suggest that differences in income inequality may account for as much as half the very large differences in homicide rates from one state to another (they vary from 2 to 18 per 100,000 population per year”

- Crime
    - Braithwaite (1989): In the USA, 45% of those convicted of a crime serve jail sentences but less than 2% in Japan do so
        - Bayley (1976): In Japan, individual character is thought of as mutable and responsive to sanctions of proximate groups; “offenders against the law are expected to accept the community’s terms for resocialisation rather than insisting on legal innocence and bargaining for mitigation of punishment”
        - Positive psychology, emphasising “loving acceptance in exchange for genuine repentance” (Bayley 1976)
        - Japanese policemen are not merely law enforcers but teachers of the virtues of the law; they seek acceptance of the community’s moral values more than compliance

Chapter 10: Baboons, civil servants and children's height

Theoretical Argument

- Baboons
  - [Skipping this part due to time constraints]

- The height axis
  - Height is related to social mobility
    - Nyström Peck (1992): Tall people are more likely to get a promotion and move up the social scale than shorter people
    - Illsley (1995): taller women were more likely to marry up the social hierarchy than shorter women since as early as 1995
    - BUT what if being tall and moving up the social ladder is both confounded on family income? Children from well off families are taller because they have adequate nutrition; they are also more likely to have the connections needed to climb up the social ladder
      - Response: selection by height is shown to be more powerful than the effect of social class on growth
        - Marmot (1986): the height of civil servants was more closely related to their position in the occupational hierarchy as adults than to the social class of their families as children
          - PP adds: class cannot explain all the variation in height with position in the occupation hierarchy
  - [Skipping most of this part due to time constraints]

Durkheim (1897): Suicide: A Study in Sociology

Durkheim, E., Spaulding, J. A., & Simpson, G. (2002). *Suicide : A Study in Sociology*. Routledge.

Summary

- Durkheim (1897) provides examines suicide from a social perspective. Three types of suicide as identified: egoistic, altruistic and anomic

Theoretical Argument

- Durkheim argues that suicide rates depend on social factors (e.g. family, political and economic society) not biological factors or "cosmic factors" (i.e. seasonality)
- Three aetiological types of suicide
  - Egoistic suicide
    - Results from lack of integration of the individual into society
    - Religious affiliation
      - Suicide rates is lowest among Catholics because Catholics are closely integrated into the collective life
      - Suicide rates is higher among the more individualistic Protestants
    - Marriage and family
      - Individual characteristic of spouses unimportant to the determination of suicide rate; what matters is the structure of the family and the role played by members
    - Political
      - On the national level, Durkheim posited that suicide rates fall in the face of great crises because society is more integrated and the individual actively participates in social life
  - Altruistic suicide
    - The individual is highly integrated into the group but still commits suicide; while egoistic suicide is characterise by inadequate socialisation, altruistic suicide is due to over-adequate socialisation
    - This is due to the individual's life being rigorously governed by custom and habit
    - Higher commandments, either those of religious sacrifice or unthinking political allegiance, are the motivations for committing suicide
  - Anomic suicide
    - Chronic state of the modern economy
    - Individuals' needs and satisfaction of those needs are regulated by society
    - The individual is an embodiment of the "collective conscience" as a product of the common beliefs and practices they have learnt
      - Common conscience = "the repository of common sentiments, a well-spring from which each individual conscience draws its moral sustenance" (Simpson 2002; i.e. the editor)
      - Suicide rates are low where these common sentiments rigorously guide the individual against suicide (e.g. Catholicism)
      - Suicide rates are high where these common sentiments stress individualism, innovation and free thought
    - The sudden removal of such constraints can lead to suicide
      - E.g. Sudden wealth gains opens up a multitude of opportunities to the individual beyond which they can endure; they cannot cope since the upper and lower limits of their life as changed too much and too quickly

    - E.g. After a divorce, individuals face a change the way their life is regulated so they become upset
    - This anomic situation is more severe in divorced men than in divorced women, since, according to Durkheim, it is the man who has profited more from the regulative influence of marriage

Evaluation

- Durkheim was skeptical about the statistics concerning suicide motives as they are compiled by enumerators in offices of vital statistics who were untrained in the discipline of psychology but the problem with using statistics on suicide is more severe
    - Zilboorg (1935): suicide statistics are underreported; e.g. if someone purposefully killed themselves in an automobile incident, then it does not get reported as suicide; suicide attempts are not counted; many suicides are hidden away by families
        - PP adds: there may be an underreporting of suicides among Catholics because it is irreligious to commit suicide
    - Fenichel (1945): partial suicides, which possess the same unconscious mechanisms as consummate suicides, do not get counted in
        - Partial suicides = “self-destructive actions, during melancholic states, carried out as self-punishment, as an expression of certain delusions or without any rationalisation.”
        - PP adds: E.g. cutting one’s wrist

SOCIAL NETWORKS

Granovetter (1973): The Strength of Weak Ties

https://www.jstor.org/stable/2776392

Summary

- Granovetter argues that the degree of overlap of two individuals' friendship networks varies directly with the strength of their tie to one another. He uses this micro-level network analyses to explain macro phenomena as diffusion, social mobility, political organisation, and social cohesion in general.

Theoretical Argument

- THE STRENGTH OF TIES
  - Definition: the strength of a tie is a (probably linear) combination of the amount of time, the emotional intensity, the intimacy (mutual confiding), and the reciprocal services which characterise the tie
    - The discussion in this paper assumes ties to be positive and symmetric
  - Hypothesis that enables the link from dyadic ties to larger structures: the stronger the tie between A and B, the larger the proportion of individuals in S to whom they will both be tied, that is, connected by a weak or strong tie
    - Stronger ties involve larger time commitments
      - Assume A-B and A-C ties exist
      - Suppose A and B are together 60% of the time
      - Suppose A and C are together 40% of the time
      - By mathematical calculation, we would expect that A, B and C are together (A and B are together AND A and C are together) 24% of the time >> (0.6 x 0.4)
      - This is assuming independence, which is even less likely when B and C become acquainted
    - Homans (1950): "the more frequently persons interact with one another, the stronger their sentiments of friendship for one another are apt to be"
      - Empirical evidence: Precker (1952) found that the stronger the tie connecting two individuals, the more similar they are, in various ways
      - If A is similar to B and A is similar to C, then B and C are likely to be similar
      - In the reverse case, weaker A-B and A-C ties make a C-B tie less likely than strong ones: C and B are less likely to interact and less likely to be compatible if they do.
      - PP adds: similarity may be due to selection (e.g. students in an music conservatoire are similar because it is a niche community) or due to convergence (e.g. because I have spent a lot of time with someone, I start to talk like them)
        - C-B ties are more likely to exist even if A-B and A-C ties are weak if ties exist due to selection
        - If ties exist due to convergence, A and B are assumed to be different initially and time is a relevant factor; hence, there will be no cases where A-B ties form due to convergence, yet A and B do not spend a lot of time together >> linking back to the time commitment argument, we would expect C-B ties to form
        - Selection and convergence not mutually exclusive
    - Heider (1958): Cognitive balance

    - Good friends would want to have congruent feelings about other people or things
    - “If strong ties A-B and A-C exist, and if B and C are aware of one another, anything short of a positive tie would introduce a "psychological strain" into the situation” (p.1362)
    - Consistency is less important for weak ties
- WEAK TIES IN DIFFUSION PROCESSES
  - The Forbidden Triad

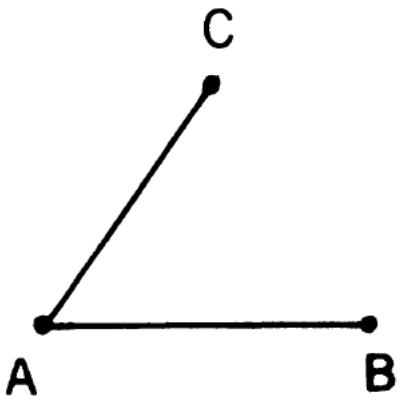
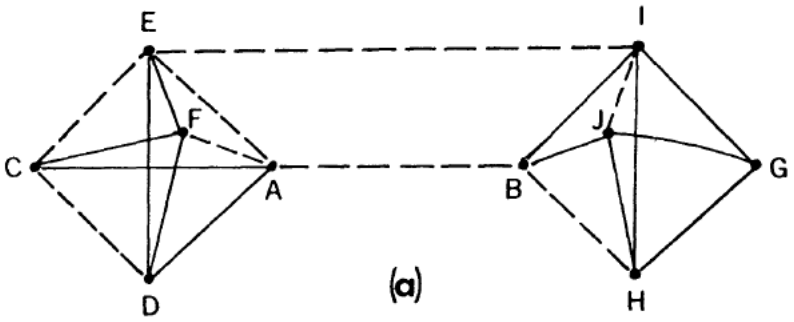


FIG. 1.—Forbidden triad

    -
    - “the B-C tie is always present (whether weak or strong), given the other two strong ties”
    - Empirical Evidence
      - Davis (1970): In 90% of the 651 sociograms analysed, triads consisting of two mutual choices and one non-choice occurred less than the expected random number of time
  - The forbidden triad implies that no strong tie is a bridge, except in exceptional circumstances.
    - For B to get something to C, there will be a weak tie B-C such that information does not have to go through the strong ties B-A and A-C
    - All bridges are weak ties, but not all weak ties are bridges
    - Information is likely to take the shortest route as there are costs in transmission
      - Harary et al. (1965): “there may be a distance [length of path] beyond which it is not feasible for u to communicate with v because of costs or distortions entailed in each act of transmission. If v does not lie within this critical distance, then he will not receive messages originating with u.”
      - PP adds: BUT what about relaying information or asking for a significant favour? There are certain kinds of information that could only be relayed through strong ties in order to carry the credibility needed.
        - The distance may not matter as much as the ‘informational value’ given by the benefit enhanced by the type of tie it came from subtract the transmission costs
        - Strong ties can become bridges if the benefits offset the costs
  - Local Bridges
    - Granovetter refers to a tie as a "local bridge of degree n” where n represents the shortest path between its two points (other than itself), and $n > 2$
    - E.g. A-B is a local bridge of degree 3



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- Local Bridges are the only alternative for cross-sector communication for most people
- Davis (1969): “in interpersonal flows of most any sort the probability that 'whatever it is' will flow from person i to person j is (a) directly proportional to the number of all-positive (friendship) paths connecting i and j; and (b) inversely proportional to the length of such paths”
- Weak ties that are local bridges create more and shorter paths
  - “Whatever is to be diffused can reach a larger number of people, and traverse greater social distance (i.e., path length), when passed through weak ties rather than strong” (p.1366)
  - E.g. a rumour >> greater distance to have to travel if going through strong ties only
  - PP adds: considerations should be made about the agent and the content
    - Whether or not the information source is deemed trustworthy is important to people’s decision of spreading information/rumour regardless of whether the tie between them and the source is weak or strong
      - E.g. local news reporter telling you something vs gossipy close friend telling you something
    - ALSO Different people have different interests
      - When we share information with someone, we usually consider what kind of information they would be interested in
      - This is perhaps based of their personality/position
      - E.g. a teacher would not spread juicy staff-room rumour to a student they have strong ties with but probably to a fellow teacher they have strong ties with
        - Student may not know who the person being gossiped is so it is not relevant to them
        - The teacher, as an agent, is of a different ‘type’ from students when it comes to gossip
    - The relevant difference for whether a rumour spreads is not in the density of weak ties but in the propensity to communicate for each dyad. This is dependent on both the content of the information and the type of relationship between agents.
- Any tie may be removed from a network
- “The contention here is that removal of the average weak tie would do more "damage" to transmission probabilities than would that of the average strong one” (p.1366)

- Whether one is central or marginal in a network can determine the order in which one adopts a new thing in society compared to others
  - Central vs Marginal

    - Those receiving many sociometric choices are characterised as “central”
    - Those with few sociometric choices are regarded as “marginal"
  - Becker (1970): Becker considers the "perceived risks of adoption of a given innovation” as a driver of whether central or marginal figures adopt it first. His study of public health innovations shows that when a new program is thought relatively safe and uncontroversial, central figures lead in its adoption; otherwise marginal ones do. He explains the difference in terms of a greater desire of "central" figures to protect their professional reputation
  - The opposite can be found when the expected effect is negative
    - Kerckhoff, Back, and Miller (1965): When a “hysterical contagion” swept a Southern textile plant, affected workers were asked to name their three best friends. It was found that social isolates (those who were not frequently named as others’ close friends) were one of the first to get the condition. This is compatible with Becker’s thesis: “since the symptoms might be thought odd, early "adopters" were likely to be found among the marginal, those less subject to social pressures.” (p.1367)
- The role of weak ties in spreading innovation/information
  - Granovetter argues that individuals with many weak ties are best placed to diffuse innovation that is perceived as being risky, since some of those ties will be local bridges.
    - An initially unpopular innovation will not get diffused if the first adopters were people with few weak ties (few bridges); they are confined to cliques
    - These individuals act as “liaison persons”
    - Some (inconclusive) evidence: Kerckhoff, Back, and Miller (1968), further analysing their 1965 study of the “hysterical contagion,” found that the “social isolates” that were among the first to catch the illness were mentioned with considerable frequency as someone with non-friendship based relationship, for example shared car pools, with others (i.e. have weak ties)
      - These isolates have lots of weak ties, hence diffusion occurred, but are marginal, as only 1 of the 6 is mentioned as a friend by anyone in the sample.
      - SEE ABOVE for more information on Kerckhoff, Back, and Miller (1965)
  - More conclusive evidence can be found in Milgram and his associates’ studies
  - Korte and Milgram (1970): weaker interracial ties can be seen to be more effective in bridging social distance
    - “A booklet is given to randomly designated senders who are asked to forward it toward some named target person, via someone the sender knows personally who would be more likely than himself to know the target. The new recipient then advances the booklet similarly; eventually it reaches the target or someone fails to send it on.” (p.1368)
    - “Each time someone forwards a booklet he also sends a postcard to the researchers, indicating, among other things, the relationship between himself and the next receiver.” (p.1368)
      - Two of the categories which can be chosen are “friend” and “acquaintance”, which Granovetter assumes correspond to ”strong" and "weak" ties.
    - In chains where white senders were asked to send the booklet to a target who was black, the crucial point was the *first* time where the white sent the booklet to a black.
    - Granovetter’s calculation of Korte’s unpublished data revealed that in 50% of the instances where the white described this black as an "acquaintance," the chain was ultimately completed; completion rate fell to 26%, however, when the white sent the booklet to a black "friend."

- Rapoport and Horvath (1961): Rapoport and Horvath conducted a study where they traced out paths along which diffusion could take place. They asked each individual in a Michigan junior high school to list his eight best friends in order of preference. Then, they traced out, for each of their nine samples, and averaged over all the samples, the total number of people reached by following the network of first and second choices. Repeating the process using second and third choices, then third and fourth, etc., up to seventh and eighth.
  - "They found that the smallest total number of people were reached through the networks generated by first and second choices – presumably the strongest ties – and the largest number through seventh and eighth choices." (p.1370)
  - Granovetter's thesis on the importance of weak ties is, thus, supported.

- WEAK TIES IN EGOCENTRIC NETWORKS
  - Granovetter's discussion in this session is intended to illustrate the possible applications. He addresses the significance of the findings above on the individual and community levels.
  - The structure of one's network matters
    - Bott (1957): one's behaviour is shaped and constrained by one's network
    - Mayer (1966): individuals can manipulate their networks to achieve specific goals
  - Network density
    - Barnes (1969): Barnes turned the dichotomy of "close-knit" and "loose-knit" networks to a continuous variable.
      - Network density = the number of ties observed in the network formed by ego and his friends and divided by the ratio of possible ones
    - Epstein (1969): Epstein notes that different parts of ego's network may have different densities.
      - Those with whom one "interacts most intensely and most regularly, and who are therefore also likely to come to know one another," = "effective network"
      - The remainder constitute the "extended network"
      - Granovetter interpretation suggests of the following correspondence:
        - Effective network = strong ties = dense network
        - Extended network = weak ties = less dense network
  - What does an ego's network consist of?
    - (1) Composed only of those to whom he is tied directly
      - Analyses stressing encapsulation of individual in a network stresses this view
    - (2) Whom he is tied directly and the contacts of his contacts, and/or others
      - Analyses stressing manipulation of networks favour this approach, since information or favours available through direct contacts may depend on who their contacts are
    - Granovetter argues that by counting one's weak ties that are not bridges with one's strong ties, both views can be reconciled but still serves their analytical purposes.
      - (1) now captures people who not only know one another, but who also have few contacts not tied to ego as well
        - The indirect contacts that reach the ego in this sector are important channels through which information from a socially distant ego reaches him.
        - "The fewer indirect contacts one has the more encapsulated he will be in terms of knowledge of the world beyond his own friendship circle" (p.1371)
  - Networks and Jobs
    - Granovetter (1970): blue collar workers and those in professional, technical, and managerial positions find out about new jobs more through personal contacts than by any other method

- Weak ties are important for hearing about new job opportunities because “those to whom we are weakly tied are more likely to move in circles different from our own and will thus have access to information different from that which we receive” (p.1371)
- For some important purposes it may be sufficient to discuss, as I have, the egocentric network made up of ego, his contacts, and their contacts.
  - In 39.1% of the cases, information came from the prospective employer, whom the respondent already knew
  - 45.3 % said that there was one intermediary between himself and the employer
- Individual Level and Community Level
  - From the individual's point of view, then, weak ties are an important resource in making possible mobility opportunity
  - Weak ties play a role in effecting social cohesion. When a man changes jobs, he is not only moving from one network of ties to another, but also establishing a link between these.

- WEAK TIES AND COMMUNITY ORGANISATION
  - Granovetter advances his argument by analysing why some communities organise for common goals easily and effectively whereas others seem unable to mobilise resources, even against dire threats. (p.1373)
  - Completely partitioned communities
    - Leafletting and radio broadcasts would make people aware of issues but unable to lead to action
      - Rogers (1962): people rarely act on mass-media information unless it is also transmitted through personal ties
    - Individuals would have to independently decide to do it
  - Trust
    - Granovetter proposes that “whether a person trusts a given leader depends heavily on whether there exist intermediary personal contacts who can, from their own knowledge, assure him that the leader is trustworthy, and who can, if necessary, intercede with the leader or his lieutenants on his behalf” (p.1374)
    - Trust in leaders can affect and predict one’s behaviour
    - “Network fragmentation, by reducing drastically the number of paths from any leader to his potential followers, would inhibit trust in such leaders.” (p.1374)
  - Case Study
    - The Italian community of Boston's West End
    - They was unable to even form an organisation to fight against the "urban renewal" which ultimately destroyed it.
    - Counter-intuitive since Gans (1962) described West End’s social structure as cohesive
      - Problems with observation
        - Participant observation usually entails getting caught up in a restricted circle since it relies on getting contacts
        - “An analyst studying such a group by participant observation might never see the extent of fragmentation, especially if the cliques were not earmarked by ethnic, cultural, or other visible difference.” (p.1374)
    - Lots of strong ties but few weak ties resulted in cliques
      - Gans reported routinised gathering of a relatively unchanging peer group of family members and friends that takes place several times a week
      - Work and organisation usually provides weak ties
        - Most people worked outside of West End

    - Organisation membership was almost nil
  - There is likely to be some weak ties in the community, since people would not have known many others
    - If these weak ties are not bridges then the cliques still likely
    - Without network data this is all speculative

- MICRO AND MACRO NETWORK MODELS
  - Granovetter points out that his model in this paper is not meant to explain small, face-to-face groups or to groups in confined institutional or organisational settings. It is intended to explain the linkage between such small-scale groups.
  - Choice vs Ties
    - Most sociometric models deal with choice (e.g. who people prefer to spend time with), rather than ties (e.g. who people actually spends time with)
    - Transitivity may not occur with choice unless the group is small enough
      - For choice: If B likes A who like C, then B likes C
        - Very weird logic
        - PP adds: Maybe Cognitive balance theory could explain this
      - For ties: If B spends a lot of time with A who spends a lot of time with C, then B spends a lot of time with C.
        - Much more intuitive
  - Strength of ties might come with age
    - Leinhardt (1972): the sociograms of schoolchildren conform more and more closely to the transitive model as they become older, sixth graders being the oldest tested. He interprets this as reflecting cognitive development increasing capacity to make use of transitive logic.
      - If Granovetter's assertion is correct, an alternative possibility would be that children develop stronger ties with increasing age.

- CONCLUSION
  - The model proposed is quite limited since it only talks about the strength of ties

Aral and Alstyne (2011): The Diversity-Bandwidth Trade-off

https://ezproxy-prd.bodleian.ox.ac.uk:2354/doi/10.1086/661238

Summary

- Aral and Alstyne (2011) examine social network and email content from an executive recruiting firm. They argue that there is a trade-off between network diversity and communications bandwidth which regulates access to novel information. In particular, a more diverse network structure increases the novelty of information but also reduces information flow. The received novelty is determined by three factors: (1) whether the information overlap is small enough, (2) whether alters' topical knowledge is shallow enough and (3) whether alters' knowledge stocks refresh slowly enough to justify bridging structural holes.

Theoretical Argument

- (PP adds: alter = nodes to whom ego is directly connected to)
- Weak ties can facilitate the dispersion of new information
  - "structurally diverse networks—networks low in cohesion and structural equivalence and rich in structural holes—provide access to diverse, novel information"
- Simon (1991): New information is useful because it strengthens the individual's ability to communicate to a wider audience, thereby improving persuasively and ability to generate support, across a broader range of topics
- What previous studies on weak ties and structural theories of brokerage lack is an examination of the diversity *and* volume of novel information flowing within each tie or channel over time. They usually stop at comparing the relative diversities of information being passed on.
  - Burt (1992): dense, cohesive networks tend to facilitate the flow of redundant information (with each alter providing the same or similar information) but the relationships in them also tend to be stronger
    - PP adds: homophily; people want to hang out with people who are similar to them; the kinds of information we are exposed to shape our outlooks
  - Socially distant weak ties communicate less because
    - (1) nodes spend less time with one another (PP adds: Granovetter defined the strength of ties in terms of time spent together)
      - "As contacts interact more frequently, they are more likely to be exposed to and to spend time with each others' contacts in cohesive embedded networks"
    - (2) there is less motivation to communicate
      - Following from the works of Heider (1958) and Coleman (1988), it has been noted that "social pressure, cognitive balance, and the development of cooperative norms in embedded relationships inspire us to devote time and energy to communicating with embedded ties"
- Hence, greater network diversity is associated with lower channel bandwidth

- Why higher bandwidth and lower social distance should increase access to novel information
  - Ceteris paribus, greater channel bandwidth should also provide access to more diverse information and more total non-redundant information since the information

communicated in each exchange would be more in-depth and address more complex, interdependent concepts

- Five mechanisms
  - (1) Social Capital
    - Uzzi (1997): Diverse, low bandwidth ties are typically opportunistic, functional, and only cooperative when it is in one's self interest to do so
      - E.g. in seeking employment, unless people have strong ties, they will view one another as competition
    - Coleman (1988): "cohesive, embedded ties are typically characterised by greater intimacy, trust, emotional intensity, and mutual confiding"; it is this kind of tie that inspires people to communicate and share information with one another
    - Argote (1999): the development of cooperative norms that reduce competition in cohesive networks are likely to increase knowledge transfer between individuals
    - Stronger ties also enable the transfer of sensitive as well as non-sensitive information
  - (2) Transactive memory
    - Awareness of whom to ask for particular kinds of information
    - "As relationships develop, contacts become more familiar with each other's areas of interest and expertise. Knowing who knows what makes embedded relationships with high-bandwidth communication channels a more likely source of novel information."
      - PP adds: E.g. I know my friend is a python-expert so if I have any code related questions, I will ping her first
    - Cramton (2001): "Building catalogs of expertise requires prior shared experience, which is a characteristic of strong-tie relationships"
  - (3) Search transfer
    - Weak ties can only transfer some kinds of information; strong ties are needed for the transfer of highly technical or in-depth information
    - E.g. weak ties are sufficient for generating awareness of a software but strong ties are needed to learn how to use it if learning the software requires a level of expert assistance that implies a helping relationship (Hansen 1999)
    - Reagans and McEvily (2003): cohesive embedded ties, those with high bandwidth, have been shown to produce higher rates of complex knowledge transfer in contract R&D
  - (4) Knowledge creation
    - Creating new knowledge can enrich the network
    - Knowledge creation often requires cohesive ties
    - Uzzi and Spiro (2005): a team combines initially separate ideas through a creative process of brainstorming, problem solving, and collaboration in developing broadway musicals; these teams often consist of apprentices and their teachers or between close colleagues
  - (5) Homophily
    - Blau (1986): homophily increases the propensity of individuals to share mutual interests because of their similarities across a greater number of distinct social dimensions
    - "We are more likely to be inspired to cover more topical ground in conversation with those with whom we share a greater number of common interests."
- Hence, <u>channel bandwidth is positively associated with receiving more diverse information and more total non-redundant information.</u>

TABLE 1
IMPLICATIONS OF THE DIVERSITY-BANDWIDTH TRADE-OFF FOR ACCESS TO NOVEL INFORMATION

Theory	Ego's Perspective	Alter's Perspective
Social capital (e.g., Putnam 1995; Burt 1992; Tsai and Ghoshal 1998; Lin 2002)	Greater intimacy, trust, reciprocity, and cooperation in cohesive-high-bandwidth networks makes ego more willing to request novel information from alter	Greater intimacy, trust, reciprocity, and cooperation in cohesive-high-bandwidth networks make alter more willing to share novel information with ego
Transactive memory (e.g., Wegner 1987; Liang et al. 1995)	Awareness of whom to ask and what to ask for in cohesive-high-bandwidth networks enables ego to request novel information more effectively from alter	Awareness of what to volunteer in cohesive-high-bandwidth networks enables alter to volunteer relevant novel information more effectively to ego
Search transfer (e.g., Hansen 1999)	Close, frequent interaction and tight coupling in cohesive-high-bandwidth networks makes ego better able to comprehend and thus receive novel information from alter	Close, frequent interaction and tight coupling in cohesive-high-bandwidth networks make alter able to express and thus transfer novel information to ego
Knowledge creation (e.g., Uzzi 1996, 1997; Obstfeld 2005; Uzzi and Spiro 2005)	Embeddedness and cohesion enable ego to find synergies and connections between her information and alter's information in order to generate new ideas and new novel information	Embeddedness and cohesion enable alter to find synergies and connections between her information and ego's information in order to generate new ideas and new novel information
Homophily (e.g., Blau 1986; Uzzi 1997; Helper et al. 2000; McPherson et al. 2001)	Alters are more likely to have mutual interests with ego across a wider variety of topics inspiring multifaceted communication and access to more of the different dimensions of alters' information	Ego is more likely to have mutual interests with alters across a wider variety of topics inspiring alter to communicate more of the different dimensions of their information

Methodology

- Channel bandwidth measured by recording average monthly message traffic over communication channels or ties
  - Operationalised as the amount of incoming email over the total number of contacts at time t, providing a measure of the average channel bandwidth of actors' ties:
  - $B_{it} = \left(\frac{E_{it}^{I}}{S_{it}} \right)$
    - B_{it} = bandwidth of network at time t
    - E_{it}^{I} = amount of incoming emails at time t
    - S_{it} = size of network at time t
- Used vector space model of topics present in email content
  - "Vector space models represent textual content as vectors of topics in multidimensional space based on the relative prevalence of topic keywords."
- Developed two distinct empirical measures of novelty:
  - One that captures variance ("information diversity")
  - One that captures volume ("total non-redundant information")
- Used panel data to estimate relationships between network structure and information access and between information access and performance

Findings

- Strong evidence confirming the proposed diversity, band-width trade-off
  - "a 1-SD increase in the structural diversity of a recruiter's network over time was associated on average with a 21% reduction in the bandwidth of his or her communication channels" with p value less than 0.01
- Strong negative relationship between network diversity and channel bandwidth: $\beta = -0.314$ and significant at the 1% level
- Strong positive relationship between structural equivalence and channel bandwidth: $\beta = 1.07$ and significant at the 5% level
- Evidence of maintenance-cost mechanism:
  - "The nonlinear relationship between network size and channel bandwidth suggests that there are simultaneous increases in network size and channel bandwidth in smaller

networks but that as network size exceeds the normalised population mean, time and effort costs and the nature of weak-tie relationships necessitate reductions in channel bandwidth”

- Network diversity found to be positively and significantly associated with greater information diversity in incoming email
  - “A 1-SD increase in network diversity was associated with approximately a 0.15-SD increase in the diversity of incoming information”
- Information diversity was also found to have a positive effect on performance
- “A 1-SD increase in information diversity was associated with increases in revenues ($\beta_{FE} = 1322.97; NS\ ;\ \beta_{RE} = 2254.75; p < 0.01$) and project completions ($\beta_{FE} = 0.36; p < 0.05\ ;\ \beta_{RE} = 0.49; p < 0.01$) and with reductions in average project duration ($\beta_{FE} = -16.04; p < 0.01\ ;\ \beta_{RE} = -15.78; p < 0.01$)”
  - FE = fixed effect
  - RE = random effect
  - NS = not statistically significant

Evaluation

- Strength: Controlled for unobservable individual characteristics, such as ambition or social intelligence, by testing fixed-effects specifications of each hypothesis; by incorporating fixed effects into the model, the authors successfully avoid their OLS parameter estimates being biased in the case where such unobserved heterogeneity is correlated with the error term

Bicchieri (2017): Norms in the Wild: How to Diagnose, Measure and Change Social Norms

DOI:10.1093/acprof:oso/9780190622046.003.0001

Chapter 1: Diagnosing Norms

Norms

Independent => we do the same regardless of what others do
- Habits
- Social customs
- Moral injunctions

Interdependent => what we do depends to some extent on what others do
- Conventions, e.g. signalling system
- Fads
- Fashion
- Social norms

Custom may become norm overtime and vice versa => e.g. the use of white wedding dresses

Conditional Preferences

- PREFERENCES = dispositions to act in a particular way in a specific situation
- Preference and choice are connected: In a choice situation, if I choose A over B it must be the case that, all things considered, I prefer A.
- Preference can be individual or social
  - Individual: I prefer chocolate ice cream over vanilla ice cream
  - Social: I prefer not to eat Oreos when I am with friends because it will be embarrassing if it gets stuck between my teeth
- Preference ≠ Attitude
  - ATTITUDE = an evaluative disposition toward some object, person, or behaviour.
  - Attitudes include personal normative beliefs
  - Wicker (1969): it has been consistently observed that general attitudes and behaviour are weakly correlated, if they are correlated at all

Table 1.1 Classifying Different Types of Preferences

	Individual preferences	Social preferences
Unconditional	“I want apples.”	“I want more apples than you.”
Conditional	“I want apples if it is autumn.”	“I want apples if my friends want apples.”

Social Expectations

- EXPECTATIONS = beliefs about what is going to happen or what should happen; presupposes a continuity between the past, present and future

- Often our behaviour is influenced by empirical expectations e.g. 100% of the time I go to England I see people driving on the left side of the road, so I decide to drive on the left side of the road.
- SOCIAL EXPECTATIONS = the expectations we have about other people's behaviours and beliefs
- NORMATIVE (SOCIAL) EXPECTATIONS = beliefs about other people's personal normative beliefs
  - I believe that someone believes that…
- Normative expectations ≠ Personal normative beliefs
  - A woman may or may not like her daughter to be infibulated but does so anyway because she has the normative expectation that her fellow villages think that her daughter ought to be infibulated
- Methodological Point: Important distinctions among personal normative beliefs are often missed in surveys, because questions about attitudes are often too vague to capture these distinctions
- Social expectations, normative or empirical, are usually formed according to our REFERENCE NETWORK

Table 1.2 Classification Of Normative/Non-Normative and Social/ Non-Social Beliefs

	Non-social beliefs	Social beliefs
Non-normative beliefs	Factual beliefs	Empirical expectations
Normative beliefs	Personal normative beliefs	Normative expectations

Customs

- CUSTOM = a pattern of behaviour such that individuals (unconditionally) prefer to conform to it because it meets their needs
- It is a consequence of independently motivated actions that happen to be similar to each other
- A collective process of belief change may be necessary to implement a new pattern of behaviour, even when abandoning simple customs, especially if the new behaviour requires the collaboration of everyone to be sustained

Descriptive Norms

- DESCRIPTIVE NORM = a pattern of behaviour such that individuals prefer to conform to it on condition that they believe that most people in their reference network conform to it (empirical expectation)
  - All those interdependent behaviours where preference are conditional on empirical expectations alone
  - Note: this definition is unconventional; Schultz et al. (2007): "descriptive norm" usually means "what is commonly done"
- Descriptive Norm ≠ Shared Custom
  - They may seem similar from an observational but the difference lies in what motivates them
  - Descriptive norm is conditional on what others do; custom results from independently motivated actions that are similar to one another

Imitation and Coordination

- Montaigne (1580): French laws aimed at restricting superfluous and excessive consumption among the merchant class often had the opposite effect. Prohibiting imitation of the aristocratic ways made them ever more attractive to commoners.
- Imitation ≠ Coordination

  - Those I imitate do not expect me to behave like they do and may not even know they are being imitated
  - With coordination, expectations are multilateral
- Deutsch and Gerard (1955): Imitation, or conformity to others' behaviour, has two components: informational and normative
  - Informational
    - Information collecting on what is correct so we follow what the crowd does, taking it as evidence of effective, adaptive behaviour
    - E.g. dress for success
    - Expectations are unilateral
  - Normative
    - With normative influence, there may or may not be group pressure to conform
    - We want to be correct and what is correct is defined by our social reality
    - Besides being correct, people also want to be liked, to belong, and to "go along with the crowd"
    - Lack of conformity does not mean one will be reproached by the crowd
- Coordination has a very different motive from imitation in that expectations are multilateral and stem from a desire to harmonise our actions with those of others so that each of our individual goals can be achieved.
- Bicherri's view about descriptive norms, as opposed to customs, is that they have a causal influence on behaviour.
  - Expecting members of our reference network to behave according to the descriptive norm (i.e. expecting a consistent pattern of behaviour), and having preferences conditional on these expectations induces individuals to conform to that pattern.
  - Empirical expectations must be coupled with a conditional preference for conforming, otherwise they will have no influence on behaviour.

Social Norms

- Rivis and Sheeran (2003): SOCIAL NORMS are often called INJUNCTIVE NORMS = what we collectively believe ought to be done, what is socially approved or disapproved of
- SOCIAL NORMS = a rule of behaviour such that individuals prefer to conform to it on condition that they believe that (a) most people in their reference network conform to it (empirical expectation), and (b) that most people in their reference network believe they ought to conform to it (normative expectation)
- Double function of social norms
  - (1) They tell us that particular behavioural responses are warranted in situations that are sufficiently similar to each other
    - E.g. they tell us not to jump the queue while waiting for the cab, or at a pastry shop
  - (2) They express social approval or disapproval of such behaviours
    - They tell us how we ought to act
- There is an element of (social) unconditionality to what we take to be moral rules that is not present in social norms
  - One's personal moral convictions are the primary motivator of one's actions and such convictions overwhelm any social considerations
  - We, in principle, have reasons for upholding what we take to be moral norms that go beyond the fact that we perceive them to be generally upheld by a reference network that may reproach or deviance.
- For every social norm we may think of, we will find some reason why followers think it should be upheld.
- Jackson (1965): Jackson visualises acceptable behaviour as constrained by norms using the Return Potential Model
- Norms ≠ Conventions
  - Deviating from a convention, such as a linguistic one, is inherently costly to the deviating party
  - Norms are not self-enforcing
    - With a norm, there is often the temptation to transgress it – this is precisely why norms must be socially enforced

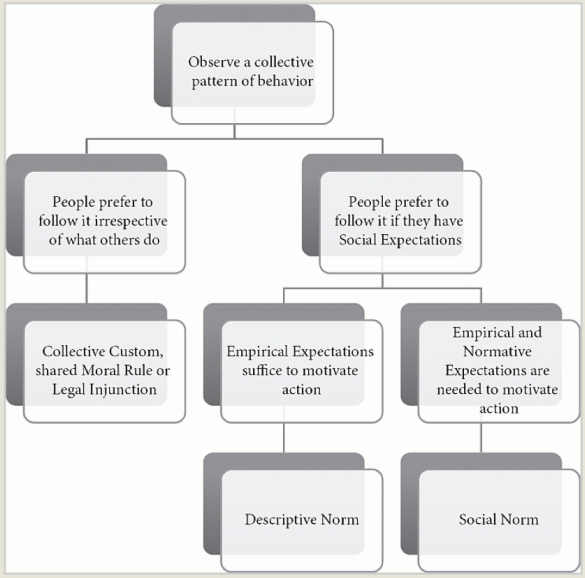

Figure 1.2 Diagnostic process of identifying collective behaviors.

Source: C. Bicchieri, *Social Norms, Social Change*. Penn-UNICEF Lecture, July 2012.

Belief Traps and Pluralistic Ignorance

- Miller and McFarland (1987): PLURALISTIC IGNORANCE = a cognitive state in which each member of a group believes her personal normative beliefs and preferences are different from those similarly situated others, even if public behaviour is identical
- Bicherri (2006): Conditions conducive to pluralistic ignorance
  - a) Individuals engage in social comparison with their reference network. We constantly observe what others do, and from these observations we get clues about appropriate behaviour, others' preferences, beliefs, and so forth. In the case of norms, we are influenced by the behaviour of other network members, but we do not know the true distribution of their beliefs and preferences, which we try to infer from observing their behaviour.
  - b) Others' behaviour is observable. If not, then the consequences of such behaviour are observable.
  - c) No transparent communication is possible. Because of shared values, religious reasons, or simply the fear of being shunned or ridiculed as a deviant or just different, we do not express views that we think will put us at a disadvantage.
  - d) We assume that, unlike us, others' behaviour is consistent with their preferences and beliefs. There are several possible reasons why this might occur. Fear of embarrassment or the desire to fit in are not easy to observe in others, so we may come to believe that we experience these emotions more strongly than others do. Another possible cause of the self/other discrepancy is the fundamental attribution error (Ross 1977): we tend to overestimate the extent to which others act on private motives (beliefs, preferences), while we instead attribute our own behaviour to external factors (social pressure in this case).
  - e) We infer that all but us endorse the observed norm. We discount personal evidence in favour of what we observe and take it at face value.
- In a state of pluralistic ignorance, individuals are caught in a belief trap and will keep following a norm that they deeply dislike.

Fehr and Fischbacher (2004): Social norms and human cooperation

https://doi.org/10.1016/j.tics.2004.02.007

Summary

- Fehr and Fischbacher (2004) review evidence showing that sanctions are decisive for norm enforcement, and that they are largely driven by non-selfish motives

Theoretical Argument

- The norm of conditional cooperation
  - Existence of conditional cooperation
    - A large percentage of participants obey the norm
    - Norm violators incur punishment
  - Conditional cooperation = subjects increase their contribution to the public good if the average contribution of the other group members increases
  - Some subjects will always free-ride, hence "discipline of the selfish group members is necessary to enforce widespread cooperation because these members are unwilling to pay for the public good in the absence of sanctions"
  - Moreover, those who cooperate because others cooperate tend to cooperate less than what others have (i.e. they are not perfect conditional cooperators)
    - This suggests that self-interest mitigates adherence to the norm of social cooperation
  - Fehr and Fischbacher (2004) introduce third-party punishment to prisoner dilemma (PD) experiments
    - "Third-party punishment experiments are perfectly suited to study the existence of social norms because the other players' actions do not affect the third subject's economic payoff in any way … the third party has no reason for punishing any of the other players unless a social norm is violated"
    - They find that roughly 50% of the subjects in the role of a third party were willing to punish defection of PD players. In contrast, virtually no punishment was made of cooperative choices.
      - 45.8% of third party actors punished a defector whose partner cooperated
      - 20.8% of third party actors punished a defector whose partner also deviated
    - Problem: in this model, punishment is costless but in reality there are costs to punishment e.g. community trial, inconvenience caused from boycott, energy used in explaining why people are wrong etc.
    - Problem: contradicts with model of self-interest since whether or not someone deviates does not impact the third party's payoff
      - Solution: Repeated games; the sanctions in the finitely repeated public goods game with a stable group composition affect all members in the long run so agents can be thought of as defending their long term interest eventhough that deviation does not immediately affect them
        - It has been found that cooperation increases with the ability of subjects to sanction
        - PP adds: E.g. impart social sanctions onto murderer because it discourages people from following that kind of behaviour; it is in one's long term interest to be living in a safe community
        - Carlsmith and Darley (2002): questionnaire evidence shows that people's motives for sentencing criminals are not deterrence but rather "just deserts"

- Falk et al. (2001): preference for equality does not drive the majority of non-selfish sanctions
  - “Subjects punish even in those situations where the sanctions do not change the payoff differences between the punished and the punishing group member”
- Stevens and Hauser (2004): non-human animals have a very high rate of time discounting, lack the ability of precise numerical discrimination, exhibit serious memory constraints or lack inhibitory control; they lack the cognitive and emotional capacity necessary for social norms

Evaluation

- Strength: considers literature from a suitably broad and relevant range, spanning from game theory to the contrast between humans and other creatures