

# APSA-CP

Newsletter of the APSA Organized Section in Comparative Politics

Volume 8, Number 2

Summer 1997

## Letter from the President

### Farewell

Robert H. Bates  
Harvard University  
rbates@latte.harvard.edu

### Contents

Letters to the Editor	2
Section Prizes	3
News and Notes	4
Notes from the Annual Meetings/Debate	
<i>Culture and Rational Choice</i>	
Nancy Bermeo, <i>introduction</i>	5
Robert H. Bates	5
James Johnson	6
David D. Laitin	9
Ian S. Lustick	11
Ron Rogowski	14
George Tsebelis	15
Ashutosh Varshney	18
Continuing Debates	
<i>Area Studies</i>	
Peter A. Hall	22
Data Sets & Archives	
<i>International Financial Regulation</i>	
Dennis P. Quinn & Maria Toyoda	25
Book Reviews	
<i>Open Economy Politics</i>	27
<i>Remaking the Italian Economy</i>	28
<i>Making and Breaking Governments</i>	29
<i>The Political Economy of Democratic Transitions</i>	31

Dear Members:

When becoming President of the Section in Comparative Politics, I sought counsel from those who had organized it. Comparative Politics was rapidly changing, they emphasized, and the Section should actively explore new departures and emerging perspectives. While striving to be inclusive, its leadership should be proactive. Before departing, I wish to express my thanks to those who have provided leadership for the Section and preserved and strengthened its sense of mission – the officers and members of the Executive, Nominating and Awards Committees, the Program Chairs, and the Editors of the *Newsletter*.

Over the last year, we have broadened the mandate of the Awards Committee to include not only books but also articles, thereby giving recognition to contributions of a more technical nature. The *Newsletter* now works in concert with the Program Chair, such that debates initiated in the pages of the *Newsletter* now form the focus of theme panels in the Annual Meeting. The *Newsletter*, under the leadership of Miriam Golden, remains provocative and accessible, and is regarded by the leadership of the Association as a model of what the Sections can achieve.

What do I rue? The unhelpful intervention of *The Chronicle of Higher Education* dominates the list. Even that otherwise infuriating incident yielded benefits, however; it contributed to my education. In the future, I will be less dismissive of 'real' Presidents when they rail against the fourth estate.

And now, David Collier, over to you. Enjoy!

Bob Bates

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tions. If one wants to explain why certain rural cultures practice female infanticide, she may assert that parents consider their children to be assets or liabilities; if physical strength leads to survival, parents will keep male babies.

Another example will make my point more clearly. Suppose that two people are to divide a dollar. Any division of the dollar that leaves no residual is an equilibrium. If the amount to be divided is significant, disputes among individuals can last forever.

Up to the 1970s, bargaining was a branch of cooperative game theory in which criteria of 'fairness,' symmetry and mathematical elegance produced different solutions. Ariel Rubinstein brilliantly produced a game which simulated real bargaining: Player One makes an offer for a division of the dollar to Player Two. If Player Two accepts, the game ends; if not, he makes a counter-offer to player one. If Player One accepts the counter-offer, the game ends; if not, the game goes continues until the two players agree. To bring the game to an end, Rubinstein endowed his players with 'impatience' – that is, a preference for the game to end sooner rather than later. He thereby calculated a unique perfect equilibrium as a function of who makes the first offer and the levels of impatience of the players. If we call the level of impatience (the time discount factor) of each player  $d$ , the final division of the dollar gives the first player  $x = (1-d_1)/(1-d_1d_2)$ .

What is interesting in this approach is that if both players are infinitely patient ( $d_1$  and  $d_2$  tend to 1), the final outcome is  $x=1/2$ . So the familiar Western habit of splitting the difference evenly can be *derived* as the equilibrium outcome of a game if both players are infinitely patient. The same outcome results if the players are not infinitely patient, but equally patient and equally likely to move first. If in a different society men made the first move, the split of the dollar would not be symmetric but would favor men. I suppose (although I do not know it for a fact) that in some cultures men and women do not split dollars (or other cur-

rencies) equally.

This is an example where 'culture' is the equilibrium corresponding to a series of exogenous conditions (sequence of moves, impatience). Rubinstein selects the unique perfect equilibrium from the infinite possible equilibria, and this is what gives power to his result. It may, however, be the case that the set of perfect equilibria is infinite, in which case analysts will look for some additional refinement that further restricts the predicted outcome.

### *Conclusions*

Cultural studies produce a wealth of information about how different people – from Africa to Capitol Hill – think and behave. If these reports yield beliefs, behaviors and rituals that we did not previously recognize, then they produce added value. Their existence does and should alter the way we analyze these societies. Rational choice does not have anything to offer to such studies, but much to learn from them. Repetition of these studies with a rational choice vocabulary helps neither tradition. Rational choice contributes by incorporating these cultural findings into the rational calculations of actors. Even better, it enables researchers to understand the reasons why particular cultural patterns emerged as equilibria from the wide variety of possible behaviors.

## **Cultures and Modes of Rationality**

**Ashutosh Varshney**  
*Harvard University*  
[varshney@cfia.harvard.edu](mailto:varshney@cfia.harvard.edu)

Rational choice theory has made remarkable contributions to two subfields of comparative politics. It has deepened our understanding of political economy issues – especially the politics of economic growth and distribution. And its ability to explain behavior in highly institutionalized settings – as in the rule-governed universe of a Western bureaucracy, legislature and executive – has been strikingly impressive. Politics, how-

ever, is not just political economy, nor are all forms of politics highly institutionalized – especially in the developing world.

Consider how different ethnic conflict is from legislative or bureaucratic battles over economic policy. Ethnic conflicts are a form of mass politics marked by highly risky or costly forms of behavior in which ethnic partisans not only kill but are willing to die. Just as it is hard to explain – given rational calculations of cost and benefit, why people vote – it is also hard to understand – with tools of rational choice – why so many people in the world demonstrate ethnic fervor or embrace nationalism. From an individual perspective, the instrumental benefits of participating in nationalist mobilization are obvious only under two strict conditions: (a) when nationalists are already close to capturing power and much can be gained, or anticipated losses cut, by joining the bandwagon; or (b) when law and order have broken down, ethnic animosities have soured group relations, and even neighbors of longstanding belonging to a different ethnic group can't be trusted, creating a "security dilemma" for individuals (Posen, 1993) and making preemptive violence against neighbors of a different ethnic group an exercise in personal security (Hardin, 1995).

These extreme conditions constitute a rather small proportion of the universe of ethnic conflict. The former Yugoslavia, Rwanda and Burundi are not typical; they are simply the most dramatic and gruesome cases of ethnic conflict. Violence may be common in ethnic conflicts, but a complete disintegration of the state is not. The latter breakdown has seldom marked ethnic conflicts in Asia, Europe and North America. This does not mean that there are no risks or costs associated with participation in ethnic mobilizations in societies where the state has not collapsed. Risks of incarceration, injury and death remain, but in the absence of state disintegration, ethnic conflicts don't produce security dilemmas. By and large, the situation from an individual perspective can be summarized as follows: the benefits of participation – a better job, a political office –

may accrue far into the future or not at all, but the likely costs – incarceration and injury, if not death – are often far too obvious. Still, a large number of people participate in ethnic mobilizations. Moreover, martyrdom remains a widely noted phenomenon in such conflicts. A strictly rational choice explanation can't explain why, given the risks of participation on the one hand and the distance and uncertainty of benefits on the other, such movements or mobilizations take off and gather momentum. Once they have gathered momentum, it is easier to explain, in a rational choice framework, why people join them.

Ethnic partisanship is just one example of culturally driven behavior. Less dramatic forms of politics – withdrawal from mainstream politics by some groups, or demand for a certain conception of school education – can also be rooted in culture. Can rational choice make a contribution to the study of the less dramatic forms of cultural behavior? If so, in what ways?

To answer these questions, we first need to ask what rationality is. Are the terms 'rational choice' and 'rationality' interchangeable? We need to inquire whether rational choice theories, as opposed to rationality, can explain why cultures exist, and how they might determine human behavior.

It is not often realized that the three disciplines that have dwelt most on the nature of rationality – economics, psychology and philosophy – perceive it very differently. In economics, rationality has two meanings. First, it means consistency of choice: if I prefer A over B and B over C, then I must prefer A over C. The second meaning is identical with self-interest. Action is rational if it is aimed at realizing self-interest. If costs of an action outweigh benefits, self-interest would not be served; hence a cost-benefit calculus accompanies analysis based on self-interest. Following the economic concept of rationality, we not only have theories of *individual* rational behavior (utility theories) and models of rational behavior of *two or more interacting individuals* (game theory), but theorists

have moved from behavior under certainty to that under risk, uncertainty and incomplete information, especially with the use of subjective probabilities under Bayesian decision rules.

Cognitive psychology heavily critiques the economic concept of rationality. On the basis of experimental data, this critique suggests that rationality, as specified in economic models, is impossible. In making decisions, human beings react excessively to current information (ignoring prior information, thereby making Bayesian probabilities irrelevant), are insensitive to sample size (thereby making reliability of information irrelevant to decisions), and respond to how the choice-set is framed rather than what the choice-set is. Thus, economic rationality is a normative, not a descriptive, notion. The leading proponents of this view are Amos Tversky and Daniel Kahneman (1990). Some of the seminal rational choice scholars in economics have become quite favorable to these psychological theories (Arrow, 1982).

The concept of rationality in philosophy is still different. In philosophical discussions, rationality refers to "reasoned assessment as the basis of action" (Sen, 1982). Such an assessment can be based on self-interest, but also on larger values. Self can be broadly defined – in terms of group goals, religious values, aesthetic considerations, etc. This is not simply a philosophical abstraction. Philosophers claim also that many in real life are driven by such considerations.

These three concepts of rationality have come to acquire different labels. The economic view has become synonymous with the term 'instrumental rationality,' the psychological view with 'bounded rationality,' and the philosophical view – or the view in that branch of economics which remains aligned with philosophy and is today most commonly associated with Amartya Sen – is simply called 'rationality' with no prefixes attached. Instead, in philosophical treatments, the various forms of rationality are, more often than not, freely admitted. This larger view would also include what Max Weber called "value rational-

ity". In *Economy and Society*, Weber had categorized social action into four types: instrumental-rational, value-rational, norm-oriented (based on conventions and traditions without critical deliberation) and affective or impulsive (expressing anger, envy, love, etc.).

The alternatives to instrumentally rational behavior are, thus, not simply emotional or irrational behavior. Of the four Weberian categories of human action, the first two are goal-directed; only one is instrumental-rational. Instrumental rationality entails a strict cost-benefit calculus with respect to goals, necessitating the abandonment or adjustment of goals if the costs of realizing them are too high. Value-rational behavior is produced by a conscious "ethical, aesthetic, religious or other" belief, and is more or less cost-inelastic. Behavior, when driven by such values, can entail great personal sacrifices. Some spheres of life – value-rational individuals would argue – are not up for sale or compromise.

Value-rationality does not mean that the values expressed by such behavior are necessarily laudable. Indeed, the values in question may range from historical prejudice *vis-a-vis* some groups or belief-systems to goals such as dignity, self-respect and commitment to a group or a set of ideals. Likewise, value-rational acts can range from long-run sacrifices to achieve distant goals on the one hand to violent expressions of prejudice on the other.

Which of these categories of behavior is represented by the term 'rational choice?' Almost without exception, it is instrumental rationality with which rational choice theorists identify. They either do not speak of goals, concentrating instead on the means; or they assume that self-interest is the goal of human action. Some other standard positions also mark rational choice. Proponents of rational choice theories believe that universal theories of human behavior – including political behavior – can be formulated without consideration of cultural contexts. Moreover, considerable resistance remains to the idea that different motivations can underlie behavior in differ-

ent spheres of life: that it may be perfectly rational for human beings to be instrumentally rational when buying a car, but value-rational when examining questions of national liberation or of gender balance, affirmative action, and multiculturalism in the universities. Finally, rational choice also remains highly skeptical of the notion that individual action can be rooted in group values or interests rather than in self-interest.

Can rationality conceptualized as instrumental rationality explain the role of culture (or religion) in human life? Can it explain why and how culture might shape behavior?

As already stated, instrumental rationality is used in two ways: either it is deployed as a conception of the means, not of the ends, while the ends remain unspecified; or self-interest is assumed to be the end of human life. In either case, rational choice cannot explain some of the fundamental puzzles of human life with which cultures deal. Can societies live without notions of right and wrong? Can human beings live without ideas that can guide them as to how to relate to the family, the community and loved ones? Students of culture would claim that these are some of the central questions in their field. Many also claim that dominant cultural practices concerning the family and the community, and, somewhat less so, the dominant notions of right and wrong tend ultimately to be rooted in religious traditions. Secular homes and societies do have cultures; even secularized cultures owe a historical debt to their religious foundations. Religion and culture are not interchangeable terms, but they have had a deep interrelationship historically.

Very few religious traditions of the world elevate self-interest and worldly matters into the highest moral obligation of human beings. Sikhism and the Puritan sects of Protestantism come readily to mind. In such traditions, self-interest begins to acquire a moral status. In other traditions, self-interest can at best give human beings their *immediate or intermediate* ends, not their *ultimate* ends or values. In these traditions, self-interest

may be seen as a necessity in several spheres of life, but not in all, nor do these traditions view self-interest as a higher end or value.

Instrumental rationality, in short, is not about values. Moreover, there may be spheres of life where most human beings can't do without such values. This idea has been very effectively expressed by some of the greatest rationalists of the century. Albert Einstein, for example, has written insightfully about the relationship between rationality on the one hand and religion and cultural traditions on the other. To illustrate what is at issue here, let me quote from Einstein at length:

“Knowledge of what *is* does not open the door directly to what *should be*... One can have the clearest and most complete knowledge of what is, and yet not be able to deduct from that what should be the goal of human aspirations. Objective knowledge provides us with powerful instruments for the achievement of certain ends, but the ultimate goal itself and the longing to reach it must come from another source. And it is hardly necessary to argue for the view that our existence and our activity acquire meaning only by the setting up of such a goal and of corresponding values... Here we face, therefore, the limits of the purely rational conception of our existence...”

“To make clear these fundamental ends and valuations, and to set them fast in the emotional life of the individual, seems to me precisely the most important function which religion has to perform in the social life of man... And if one asks whence derives the authority of such fundamental ends, since they cannot be stated and justified merely by reason, one can only answer: they exist in a healthy society as powerful traditions, which act upon the conduct and aspirations and judgments of the individuals; they are there, that is, as something living, without it

being necessary to find justification for their existence...”

“[A] conflict arises when a religious community insists on the absolute truthfulness of all statements recorded in the Bible. This means an intervention on the part of religion into the sphere of science; this is where the struggle of the Church against the doctrines of Galileo and Darwin belongs. On the other hand, representatives of science have often made an attempt to arrive at fundamental judgments with respect to values and ends on the basis of scientific method... These conflicts have all sprung from fatal errors.” (Einstein, 1954. pp. 42-5)

Seen this way, rationality and religion belong to two different realms of human experience – the former having little to do with the ends of life. For those uninspired by religion and some of its excesses, however, culture – a set of institutions and normative practices that we live by – has been a source of such values. Culture replaces religion in the agnostic or unbelieving homes.

A rational choice theorist may say that individuals create culture (or religion). What appears as an inheritance today was created by individual acts in the past, making it possible for a methodological individualist to explain the existence of culture instrumentally. In a fundamental sense, this view cannot be correct. Culture may indeed have been created by individuals, but each individual engaged in such acts of creation also acted in relation to an inherited set of practices. In order for an individual to create, affirm, deny or innovate a set of cultural practices – and a good deal of that happens in everyday life – there has to be a pre-existing set of normative practices in the framework of which the creation, affirmation, denial or innovation acquire meaning. As philosophers of language are fond of saying, a sentence or word has no meaning until a language exists. The acts of creation, innovation or denial draw their rationale, negative or positive – from an existing set of values. Cul-

ture, in this sense, is *embedded* in our life; it *exists* as a framework of meaning within which human deliberation and rationality operate. That is why it is not a privately underprovided public good, as we should expect if we are true to rational choice. Rather, to borrow a phrase from Charles Taylor (1995), it is an “irreducibly social good.”

To conclude, cultural choice or behavior is different from buying a car or a house on the one hand and forming political strategies to defeat adversaries for political office on the other. Rational choice theories may be more applicable to *marginal* decisions – or to decisions about political strategies in legislatures or elections, and less so to decisions about how people choose *fundamental* values. And for those spheres of life where these values guide us – in many but not all families, in many but not all communities, and in many widely practiced religions of the world – we need to rework our view of rationality. Behavior that appears to be highly principled or risky may be value-rational – i.e., rational with reference to these values — but irrational by rational choice canons of judgment. Finally, whether or not culturally driven behavior is rational, such behavior exists in plenty.

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## News & Notes

(continued from page 4)

#### *Session titles and invited participants*

1. Trade unions and employers’ associations: towards greater dependence on the market or institutionally-based variations in power?

*Chair and introduction:* Jelle Visser (University of Amsterdam)

*Invited papers and discussants:* Miriam Golden (UCLA), Janine Goetschy (Université de Paris X), Colin Crouch (European University Institute), Torben Iversen (Harvard University), Jesper Due (University of Copenhagen)

2. New and old sources of work force segmentation (by gender, ethnicity, occupational structure, stability of employment) and the fate of solidarity.  
*Chair and introduction:* David Marsden (London School of Economics)

*Invited papers and discussants:* Gösta Esping-Andersen (University of Trento), Fausto Miguélez (Autonomous University of Barcelona), Richard Locke (MIT), Rainer Zoll (University of Bremen), Martin Gannon and Stanley Nollen (University of Maryland and Georgetown University)

3. Industrial relations in the workplace: collective representation versus direct employee participation, conflict versus cooperation.

*Chair and introduction:* Wolfgang Streeck (Max-Planck-Institut, Köln)  
*Invited papers and discussants:* Keith Sisson (University of Warwick), Ida Regalia (University of Turin), Kathleen Thelen (Northwestern University), Paul Marginson (Leeds University), Alain Chouraqui (LEST, Aix-en-Provence), P. Gunnigle (University of Limerick)

4. Industrial relations and the political economy: decline versus re-emergence of tripartite concertation.

*Chair and introduction:* Marino Regini (University of Milan)  
*Invited papers and discussants:* Philippe Schmitter (European University Institute), Franz Traxler (University of Vienna), Peter Lange (Duke University), Michael Shalev (Hebrew University of Jerusalem), Anton Hemerijck (University of Rotterdam), Dieter Sadowski (University of Trier)

(continued on page 24)