Changing the way we study the social sciences and economic behaviour [1]

Written by **Dr Madsen Pirie** [2] | Monday 25 March 2013

Writing in Pacific Standard magazine, Ethan Watters draws attention to the game-changing work [3] of Joe Henrich, Steven Heine and Ara Norenzayan, and the studies they have made on the behaviour and perceptions of non-Western cultures. For example, the 'ultimatum game' produces different results. This is the 'game' where one player is given $100 and told to offer some of it to another player. If the second player rejects the offer, neither receives any money. Typically players offer 50-50, and reject small offers in order to punish inequitable behaviour. The Peruvian Indians Henrich introduced to the game with amounts representing a few day's wages behaved differently. The first player tended to offer smaller mounts, and the second would usually accept them, however small.

> *?It just seemed ridiculous to the Machiguenga that you would reject an offer of free money,? says Henrich. ?They just didn?t understand why anyone would sacrifice money to punish someone who had the good luck of getting to play the other role in the game.?*

In cultures elsewhere where gift-giving is used to secure favour or allegiance, the first player would often offer more than 60%, and the second player would refuse, not wanting to accept the burden of obligation that would come with it. What social scientists and economists had thought was human behaviour was in fact behaviour conditioned by the culture from which the players emerged. Other studies showed that perception of the length of a line (depending on whether arrows at its ends pointed upwards or down as in the Müller-Lyer illusion) varied with culture. Those brought up in a built environment tended to be deceived more often than desert nomads and foragers.

Henrich, Heine and Norenzayan published a paper in 2010 in the journal Behavioral and Brain Sciences. It was entitled "The Weirdest People in the World," and they were talking about Americans. WEIRD is an acronym for Western, Educated, Industrialized, Rich and Democratic, and the paper makes the point that our Western habits, cultural preferences, and even the way we perceive reality, separate us from people in other parts of the world and even from our own ancestors. The importance lies in the fact that much of our study in the social sciences and in economic behaviour has used almost entirely Western subjects to arrive at its findings. When other cultures are included, the Americans are outliers in many of their attitudes.

WEIRD minds are analytic, focussing in on an object rather than understanding it in the context of what is around it. Experimental psychologists assumed that their job was to look beyond the content of people's thought to the hard-wired origins it came from. "Deeply flawed," says Norenzayan, "because the content of our thoughts and their processes are intertwined. The influence of culture on cognition has to be factored in.

> *He [Henrich] notes that the amount of knowledge in any culture is far greater than the capacity of*

> *storehouse of knowledge simply by mimicking (often unconsciously) the behavior and ways of thinking of those around them.*

The research lends powerful support to Hayek's notion of dispersed knowledge, and seriously undermines the notion that an object such as the human mind can be lifted from its context and studied in isolation. It also supports the notion that human choices are very complex and defy simple statistical treatment that treats people as if they were all similar.

blog comments powered by Disqus [5]

Source URL: http://www.adamsmith.org/blog/economics/changing-the-way-we-study-the-social-sciences-and-economic-behaviour

Links:
[1] http://www.adamsmith.org/blog/economics/changing-the-way-we-study-the-social-sciences-and-economic-behaviour
[2] http://www.adamsmith.org/taxonomy/term/5779
[3] http://www.psmag.com/magazines/pacific-standard-cover-story/joe-henrich-weird-ultimatum-game-shaking-up-psychology-economics-53135/
[4] http://disqus.com/?ref_noscript
[5] http://disqus.com