

Western Philosophy of Social Science

Lecture 3. The theory of microfoundations and methodological localism

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I. Rational choice theory

- Rational choice theory provides a powerful basis for social explanation.
- In many institutional contexts, self-interested prudence dominates other factors; and so game theory, marginalist economic theory are empirically credible theories of individual behavior.
- The new institutionalism.

Main premises

- Individuals are deliberative agents making individual decisions
- Individuals gather information about the world
- Individuals have coherent representations of their goals, preferences, and desires
- Individuals make rational decisions among available alternatives
- Individuals choose the option that best serves their ranking of outcomes, given their beliefs about the world.

Qualifications

- Economists generally assume “rational egoism”.
- Egoism is not a part of rational choice theory.
- Individuals may / do have preferences that involve other people: solidarity, affection, loyalty.
- Amartya Sen: “Rational Fools” and the practical significance of commitments

Practical rationality

- Individual rationality is broader than utility-maximization.
- Agents have goals; beliefs; and norms and commitments.
- They act prudently out of regard for these goals and beliefs, inflected by their norms and commitments.

Collective action problems

- Public goods problems / free rider problems
- It is often individually rational to choose to not contribute to achievement of a public good, even though the individual would benefit from achieving the good.
- Collective action problems are ubiquitous among social phenomena. Mancur Olson
- This is important because it provides a basis for a particularly broad and cross-cultural set of explanations.

Qualifications

- Societies do in fact have some success in creating institutions that handle free rider problems.
- Common property resource regimes (Ostrom)
- Solidarity and trust
- Informal social mechanisms of enforcement of collective action (Michael Taylor)
- Norms that give individuals motivational structures that favor collective action.
- Conditional altruism: participate if you are confident that enough others will as well.

II. The “New Institutionalism” in Sociology

- Institutions as systems of incentives and constraints
- Formal and informal constraints
- Social networks at the bottom
- Norms that induce and enforce the institutional requirements

Examples of new institutionalism

- Shasta County cattle trespass (Elickson)
- Labor cooperation in Taiwanese farming (Pasternak)
- Brinton, Mary C., and Victor Nee, eds. 1998. *New Institutionalism in Sociology*. New York: Russell Sage Foundation.

Aggregative explanations

- An aggregative explanation is one that provides an account of a social mechanism that conveys multiple individual patterns of activity and demonstrates the collective or macro-level consequence of these actions.
- Example: Mancur Olson, failures of collective action
- Prisoners dilemma arguments

III. Microfoundations model

- a specific thesis within the philosophy of social science:
 - Claims about “macro”-level phenomena require hypotheses about the underlying local circumstances of purposive agents whose choices bring about the macro-outcome.
 - Agents within structures; structures embodied in the states of individuals
 - Pure structural causation and functional arguments are precluded.
 - “Methodological localism” -- Identify the mechanisms at the local level!

Microfoundations

- Macro-explanations need micro-foundations: detailed accounts of the pathways by which the macro-level social patterns come about.
- Social entities possess causal powers in a derivative sense: they possess characteristics that affect individuals' behavior in simple, widespread ways.
- Social causation proceeds through the structured circumstances of choice of individual agents.

Microfoundations (cont.)

- Institutions have effects on individual behavior (incentives, constraints, indoctrination, preference formation), which in turn produce aggregate social outcomes.

Examples of micro-foundational explanations

- Field shape in medieval France (the wheeled plow)
- Low investment rates in sharecropping regimes
- Micro-class analysis of outcomes--Brenner, Tilly

Microfoundations

- There is no pure social-social causation.
- The causal powers or capacities of a social entity inhere in its power to affect individuals' behavior through incentives, preference-formation, belief-acquisition, or powers and opportunities.
- The causal capacities of social entities are to be explained in terms of the structuring of incentives and opportunities for agents.
- Macro explanations require specifications of the micro-foundations that underlie them.

IV. The framework of methodological localism

- The view I've come to ...
- **METHODOLOGICAL LOCALISM**
- Socially situated individuals in local contexts constitute the “molecule” of social phenomena.
- This level of description has greater realism than **EITHER** description at the global level and the a-social individual level.

Methodological localism and microfoundations

- Socially situated individuals—individuals with social properties and existing in social relations and social institutions—are the “molecule” of social phenomena.
- Asserting facts about higher-level processes requires that we give an account of the “microfoundations” through which these processes come about.
- I.e.: the circumstances of socially situated individuals who then behave so as to bring about the observed outcome.

Methodological localism

- This is not an “individualist” position.
- It invokes the “social” in the definition of the position of the individual.
- It refers freely to norms, networks, institutions, belief frameworks, and other supra-individual constructs.
- But it is a “local social”: the socially constructed individual who is agent/actor.
- Actors acquire their social properties as a result of a history of interactions with local institutions, organizations, networks, and other actors.

Five large questions

- what makes individual agents tick?
 - accounts or mechanisms of choice and action at the level of the individual; performative action, rational action, impulse, ...
- how are individuals formed and constituted?
 - accounts of social development, acquisition of preferences, worldview, moral frameworks.
- How do institutions and norms influence agents' behavior
 - Accounts of institutional and normative settings at the level of the social agent

Five large questions ...

- how are individual agents' actions aggregated to meso and macro level?
 - theories of institutions; markets; and social mechanisms aggregating individual actions
- What is the distribution of individual characteristics across a given population?
 - Description and analysis of associations among features

Individualism?

- There are no supra-individual actors in social causation.
- But this is not methodological individualism; individuals are socially constituted by worldviews, values, and institutions.
- Call it “methodological localism”.

V. What is an identity?

- An identity is a set of self-understandings, norms, and ideas possessed by a person; that hang together as a cluster in a group at a time; and that lead members of that group to identify and act as such.

Identity: the individual level

- Each individual arrives at a durable set of values, narratives, cognitive frameworks, narratives, and assumptions of commonsense;
- An identity is a concrete psychological reality: moral framework, social ideology, affinities and allegiances, worldview, emotions

Identity (cont)

- An identity has much to do with *narrative*: the stories we tell to say “who we are”, the stories we tell about who “our” people are. These narratives are flexible and influential for our actions and choices, and the actions in turn fold into the continuing narrative. Finally there is always a question of veridicality. Is it truthful? Is it “authentic”?

Identity: the individual level (cont)

- The self-referential aspect of identity is critical. If I am a Welsh miner and I learn that “miners stick together” my own character may take on this feature—even if I also have the capacity for timidity.
- The various components of identity can be culturally variable; so identities can be diverse and historically plastic. The fact of human cognitive and moral plasticity has large implications. Individuals and communities can rewrite the code.

Identity: the group level

- There are significant variations in each of these ensembles across time, across culture, and across group;
- There are important similarities in these sets in individuals in a time and place, because of common experiences, common institutions, and common historical settings;
- There are also significant differences within a community for identifiable subgroups;

Identity: the group level (cont)

- Some of these differences correspond to common experiences of oppression (race, gender); others are durable but arbitrary traditions of taste and practice (Alsatian, Breton).
- An identity fits into a social network of interaction among people bearing this identity. (A material component of an identity.)
- How do we empirically investigate the specifics of a socially embedded identity?

Identities influence social action

- An identity is to some extent motivational or behavioral: persons sharing an identity have some level of preparation for cohesive action and they have a common set of assumptions about the world that encourages similar behavior.
- These complexes of values, beliefs, and traditions influence action and behavior (e.g., traditions of solidarity among miners), so identities can have significant historical effects.

Identities influence ...

- The role of identity in creating qualities of sociality—altruism and other-concern, loyalty, solidarity and fairness—is crucial for social behavior. These qualities differ consistently across communities and across time. These social action features derive from both theories of how things work and from norm and value assumptions.

How are social identities created and reproduced?

- What is involved in the “making” of a group identity? What is involved in sustaining it?
- An identity is the result of a personal series of experiences, emerging from concrete and historically specific institutions and circumstances.
- An identity is *socially constructed*: it is informed and shaped by the actions of others, and it is partially constituted by regulative categories expressed by others ([Hacking, 1999 #1485]).
- Specific institutions contribute to the socialization described here. Education, socialization, and maturation are concrete social

How are identities made?

- Becoming developed through socialization involves acquiring—
- a stock of factual beliefs;
- a scheme for acquiring and assessing new beliefs (especially about causal properties)
- a set of norms, values, and wants
- a scheme for deliberating normatively
- a set of habits and practices for interpreting and responding to the world and its typical situations
- This is subjective experience but also socially embedded.

Definitions

- Agent: the individual actor or decision maker.
- Agency: the state of deliberation and decision-making within the individual
- Public good: a good (or harm) which is necessarily available to everyone if it is available at all.
- Free rider: an agent who refuses to contribute to production of a “public good” but enjoys it nonetheless.
- Club good: a common good limited to “members”

End (Battle of the Overpass)

