

Economy and Community in Mauritius

The Problem of Community

For decades scholars have tried to understand why the boundaries between communities persist in plural societies like Mauritius. One influential theory, subscribed to by Burton Benedict, among others, explains the permanence of ethnic boundaries in terms of competition between groups for limited economic resources. These ideas are echoed in people's everyday conception of community in Mauritius, illustrated by the popular notion that Muslims drink Pepsi and Hindus drink Coke Cola. Such theories assume that people are rational actors who behave to promote their own interests by competing as a group. Unfortunately, the model has irreconcilable logical flaws. The communities in Mauritius will most likely continue into the distant future, but not for these reasons. Culture should not be underestimated in influencing behavior, even when it is "irrational".

Banton applies economic principles to explain ethnic relations in the widely cited *Racial and Ethnic Competition* (1983). The basic argument goes something like this. Two groups encounter each other in a context of competition for limited resources. Members of each group, after rationally calculating costs and benefits, realize that they are personally better off if they compete as a member of their group, rather than as an individual. The theory has two basic problems. First it assumes that people are able to make rational, logical decisions. Second, Banton inevitably comes upon the problem of reconciling the conflicting interests of individuals and the group.

I. Making Rational Decision?

Banton employs principles of rationality to explain behavior. Rational choice theory has two general tenants of human behavior, both of which have been questioned by cognitive scientists (Boyd and Richerson 1985). One is that individuals are capable of assigning a numerical value of utility to specific outcomes, thus the utilities of different decisions can be compared. Utility is the economists word for preference. Thus if Manoj prefers A to B, and B to C, then you can logically assume that he prefers A to C using the law of transitivity. In practice it is impossible to disentangle utility from behavior, creating a circular argument. How do you know that Manoj prefers Coke over Pepsi? Because he drinks Coke. Why does Manoj drink Coke? Because he prefers it.

The other tenant of rationality is that a "rational" actor will choose that behavior which is most likely to produce the outcome with the highest utility. It has become increasingly clear with advances in the cognitive sciences, however, that people's brains are not capable of such complex calculations. Tversky and Kahneman (1974) point to people's misconceptions of

chance, such as Gambler's Fallacy, as one example. After a long streak of red at a roulette table, gamblers often incorrectly assume that a black is due and thus more likely in the following spins. In fact the chances of landing a red or black do not change. Restated, people do not possess the ability to accurately estimate the most fundamental probabilities.

In order to choose which behavior will bring the most satisfaction, one must be able to estimate probabilities of events using one's experience. As one gains more experience (a larger sample size), one's estimates of the chances of specific outcomes becomes more accurate. Several fundamental problems arise with this, seemingly straightforward, approach. Learning can be difficult, costly, and potentially a maladaptive approach to actual decision making, particularly in rapidly changing environments. Sometimes it is better to simply imitate common behavior, as there is a small chance that such wide spread behavior is dangerous.

II. The Individual and the Group

Banton believes that ethnic and racial divisions are fundamentally caused by competition for scarce resources, where dominant group members, upon completing a Bayesian cost-benefit analysis, find it most profitable to conform and not to be a "free-rider" (e.g. letting others do the work while they sit back and enjoy the broadly distributed benefits (Olson: 1971: 76). Not only are the benefits of cooperation greater than the costs, but the gains of conformity are greater than the gains of defecting and becoming a free-rider. Groups compete due to the parallel between individual and group interests. Banton describes what prevents people from becoming "free-riders":

He could be prevented from doing so only by the threat of punishment or by being persuaded that evasion was against his long-term interests because of the other consequences likely to flow from it. (1982: 119).

A system of coercive control arises which increases the cost of selfish behaviors through punishment, (Campbell 1987: 176). This explanation only leads to a second-order free-rider problem. Enforcing negative sanctions is costly, and requires cooperation in itself to be effective. What is to prevent individuals from shrinking in their duties as enforcers of these sanctions, allowing others to incur the costs of enforcing laws and customs?

The problem may be more simply restated by viewing ethnicity as an aggregate of individuals who support a public good, namely, the maintenance of community boundaries. The logical problem of ethnic boundary maintenance is one manifestation of the more general mystery of collective action. As Olson (1965) and Hardin (1968) have pointed out, collective action, even when leading to common gains, is always undermined by free-riders. Such theories of group competition assume both the mechanism by which group behavior occurs

(Bayesian Decision Theory), as well as the data to support the mechanism (unobtainable measures of utility).

The Role of Culture

So where does this bring us? Undeniable, people consistently behave in ways which promote the interests of the community often at a personal cost. In an extreme example, parents in Mauritius have prevented their children from marrying someone from a different community, even while risking the possibility of their child committing suicide as has happened in the past with destitute lovers (Eriksen 1990). Given that these two arguments do not appear to furnish an adequate explanation of the bases for cooperation within ethnic groups, some alternative explanation must be provided.

In order to understand why people behave irrationally and do things like support their community, one must understand the nature of culture. Culture is learned (as opposed to discovered) information. While cognitive science is still in its infancy, as is our understanding of how information is learned and transmitted, it is quite evident that most of what people know is learned and not gained through personal experience. People support the community because they are taught such ideas, even if these beliefs are “irrational” from an economizing or evolutionary point of view.

Why then, do apparently irrational or maladaptive traits persist? As noted previously, learning by experience is costly and often maladaptive. Eating one poisonous plant can be a fatal mistake. Imitating others is often a more adaptive solution (Boyd and Richerson 1985). If a trait is widely spread throughout a population, at least the chances of it being highly maladaptive are relatively small. But these behaviors may not be optional. Suboptimal or maladaptive traits will persist so long as the rate of its transmission "outdistances" the rate at which it jeopardizes individual survival. For instance, let us take a celibate priest as a hypothetical example. If the priest, in actively inculcating people with his religious beliefs, encourages others to become priests as well, the trait of celibacy will be culturally reproduced. Few people decide to become celibate priests and the trait persists. In contrast if a doomsday cult leader was teaching people to kill themselves to reach ecstasy, the cultural trait would run itself out like the Ebola virus.

Behaviors such as communalism or endogamy, marrying within one's ethnic group, are probably not very maladaptive compared to their rate of transmission and will thus persist. Whether or not behaviors which promote communalism will change or endure, however, depends not only on the rate of culturally transmitted information. It also hinges upon changes in the external environment. People with the same culturally learned rules and preferences will

behave differently in different environments. Thus socio-economic changes, such as increased economic independence for women working in the EPZ, will also alter behavior.

Thus communal behavior, such as ethnic group endogamy, is influenced both by the dynamics of culturally transmitted information and changes in the context of decision-making. One cannot predict whether communal behaviors will persist or disappear without having an intimate knowledge of the cultural content used in decision making, how people cognitively use this information to make decisions, and how these behaviors are constrained by the environment. Many promising theories are being developed in the cognitive and computer sciences, such as expert systems and fuzzy logic. Clearly, however, the old rational choice model is incorrect and should be discarded.

One cannot implement policy to consciously change communalism before understanding the basis of these behaviors.

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