

What's Fair? Young Europeans' Constructions of Equity, Altruism and Self-interest

Edited by Melinda Dooly and Alistair Ross



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Preface

This book reports on part of the research project *Citizens of the future: the concerns and actions of young people around current European and global issues*, which was undertaken under the aegis of the European Science Foundation as a collaborative project within the EUROCORES framework (06_ECRP_FP007). European Collaborative Research (EUROCORES) programmes are designed as 'bottom-up' research activities, in which broad and complex topics are best addressed through multinational cooperation in new collaborative research programmes.

The project investigated the concerns of young Europeans (aged 10, 14, 17) for their personal, local and global futures, focussing on issues such as democratic processes, poverty, unemployment, human rights, the environment and conflict. It aimed to identify whether they are optimistic or pessimistic, and whether they are willing to work for change or are uncommitted to social participation. The study was made by partners in four European countries: the UK, Poland, Spain and Turkey- countries with different social, cultural, educational, economic and political contexts. We sought to illuminate the extent to which these countries have successfully prepared young people for their role in a rapidly changing Europe. It examined the extent to which they are pro-social in their engagement with others, committed to acting for a common good, in particular through the way in which they played in the Ultimatum Game.

This book reports specifically on the Ultimatum Game: one companion volume, *Future Citizens: 21st century challenges for young people* (edited by Krzywosz-Rynkiewicz, Zalewska and Ross, 2010) reports on the survey and analysis of the young people's hopes and fears for the future, and a second companion volume, *Their hopes, fears and reality: working with children and youth for the future* (edited by Dooly, 2010) explores the professional outcomes of the project for teachers and schools.

The project was coordinated and guided by the European Science Foundation, but funded by national agencies. We are grateful for support from the Polish Ministry of Science and Higher Education (Grant ESF/84/2006), the Spanish Ministry of Science and Technology (Research and Development Projects Grant SEJ2007-29191-E), the Scientific and Technological Research Council of Turkey (TÜBİTAK) (Grant 107KT66) and the British Academy (Award SG 49353).

A large team of people contributed to aspects of the research, analysis and writing. In Poland, the teams from the University of Warmia and Mazury, Olsztyn and the Warsaw School of Social Sciences and Humanities were led by Dr Beata

Krzywosz-Rynkiewicz and Professor Anna Zalewska respectively. They were assisted by Wojciech Siegień (at Warmia and Mazury) and Agnieszka Bojanowska (in Warsaw). The Spanish teams were based at the Universitat Autònoma de Barcelona (where the team led by Dr Melinda Dooly consisted of Maria Villanueva , Claudia Vallejo, Esther Collados and Montserrat Oller, along with Dr Antoni Luna at the University Pompeu Fabra) and the University of Córdoba (where the team was led by Dr Carmen Tabernero, assisted by Dr. Elena Briones Pérez). In Turkey, the two teams were based at Istanbul University (team leader Dr. Nilüfer Pembecioğlu; team Nadi Güler, İlkay Kanık, Burcu Akkay, Ece Kayrak, Cemal Uzunoğlu and Gökçen Ardıç) and at Eskişehir Anadolu University (team leader Dr Erol Nezih Orhon). Finally, in the UK the teams were based at the Institute for Policy Studies in Education at London Metropolitan (team leader Professor Alistair Ross; team Dr Kim Allen, Sarah Minty and Sumi Hollingworth) and the School of Education at the University of Exeter (team leader Professor Cathie Holden, team Harriet Jones).

We are grateful to them all for their work and contribution to the work reported here. The project represented a learning process for us all, as we discovered not only the educational cultures of our partner countries, but also fresh perspectives on the policies and practices of our own countries. The pleasures and pitfalls of an interdisciplinary team of researchers, bringing varied research methodologies and practices together, are reflected in the pages that follow.

ALISTAIR ROSS and MELINDA DOOLY
Editors

Chapter 1: Young people's understanding of equity and fairness

Alistair Ross & Melinda Dooly

“There is nothing so finely perceived, and finely felt, as injustice”
(the character Pip, in Charles Dickens' *Great Expectations*; quoted in Sen,
A. (2009) *The Idea of Justice*)

‘It’s not fair!’

Almost every parent and teacher will have heard such a comment from a child or young person, in just about every country and region of the world. It would appear that everyone, from an early age, has some conception of what is ‘fair’, and an expectation that the world should be ‘fair’, and, moreover, that parents, teachers and other adults have some kind of obligation to make the world ‘fair’.

This book is about what young people understand by the concepts of fairness, equity and altruism, and how they reconcile this with their own self-interests. The study was carried out by individuals engaged, in different ways, in education or science of education, thus contributing to recurrent references to the importance of these concepts to education and schooling. The book is based in part on a detailed study of young people in four European countries, but it is also located in a much wider literature of social justice, cooperation, competition, civic (or pro-social) behaviour and the development of identity. It is written from the perspective of social constructionism: that is, the premise that concepts such as fairness, equality and self-interest inventions or constructions are made by and shared with members of a particular society in a particular social context. As Berger and Luckman argue in their seminal volume in 1966, we socially construct reality through everyday interactions with others. This view is in direct opposition to those who argue that there is something real or essentialist about notions of justice or fairness: in the argument that follows, all such ideas only exist in our own consciousness.

The fact that the study encompasses children and youth in four different countries begs a quick exemplification of how ‘culture’ is understood in this book. As with the concepts of fairness, equity and altruism, this book distances itself from an essentialist view of ‘culture’. Popularly, ‘culture’ is understood as an unspecified

mix of different properties ascribed to groups of people. These typically include beliefs and values; customs, religion and language are often included as cultural traits as well. Within this understanding of ‘culture’, features are acquired or passed on by tradition. While the notion of what makes up ‘cultural traits’ is usually quite vague it is, at the same time, seen as an important and often defining essence of members of different cultural groups. As Verschueren (2008) has pointed out, this type of cultural “essentialism” is problematic.

First, it confuses culture with nature, that is, it promotes (or demotes) culture to an aspect of nature. Secondly, it places clusters of cultural traits at the level of groups. This attitude disregards the arbitrariness with which cultural traits can be handled to emphasise or blur distinctions between groups of people, depending on the historical context, and in pursuit of specific (usually political) goals. (p 26)

The argument put forth by Verschueren against the “essentialist view” is that “‘identity’ is not a property of a group, not even of an individual, but that it is interactively created over and over (though with a degree of consistency)” (*op. cit.*). Identity(ies) is/are adopted in reference to the social context at that moment.

Just as individuals may have different identities in different contexts, social and cultural concepts are multiple and varying, rather than fixed and stable. Of course, as Schutz (1962) posited in his seminal work on ethnomethodology, humans understand the world and its meanings through culturally and socially shared meaning systems and taken-for-granted preconceptions and values. This implies that a common nexus of concepts such as fairness and justice may have some ground in social and cultural norms but they are “appropriated” and deployed *in situ*, according to the context at the moment in time.

Thus, we will explore, through young people’s social behaviour in a particular social context, how they participate in constructing what we conceive of and accept as social reality: the processes that dynamically create their social understanding of ‘what’s fair’. This is not to advocate cultural relativism: when our construction of knowledge works for us, we pragmatically accept it as a reality that we can (and must) live with. The fact that a truth may only be specific to a particular place and time does not mean that it is not a necessary truth for social life to proceed at that place, in that time. Nor do we claim that, because there are no universal theories that any one account of reality is as good as any other. Lyotard describes post-modernism as expressing “incredulity towards metanarratives” (1984: 24): We present here a series of micro-narratives that together constitute a tenuously shared conception of the social world.

This chapter opens the discussion on these issues. It examines various possible meanings that might be attached to fairness and altruism, which are complex and

multi-faceted terms. They sit, rather uneasily, within traditional theories of self-interest and of individuals acting as 'economic man' to maximise their own ends, and we will contrast the assumptions made by the needs of 'the market' with those who argue for a social common interest, expressed through citizenship or pro-social behaviour, outlining arguments of contemporary game theorists, as well as those of Amartya Sen and John Rawls. We then set this in the context of one particular game – the ultimatum game – that we have used with nearly 3,000 young people in Poland, Spain, Turkey and the UK. The ultimatum game is described in more detail further on in this chapter.

Chapter two sets out our working methods in some detail. The empirical research took place in eight different locations, over a two year span, and was quite complex. In particular, we offer a rather different analysis than that proffered for most iterations of the ultimatum game. While we present our statistical findings (largely descriptive), we feel that our qualitative analysis of how these young people explained their actions and behaviour offers a particularly original contribution to previous literature dealing with this topic.

The three chapters that follow compare and contrast young people's behaviour in the ultimatum game in different modes. In the first, they were interacting with peers in their own classroom, whom they knew well and interacted with on an everyday basis. In the second, the interactions were with young people from a different part of their country, whom they did not know, and with whom they interacted on this single occasion. And in the third mode the young people interacted with people the same age in another country in Europe, of which they knew very little.

Besides these three contexts, there were other potential factors influencing patterns of behaviour, such as age (we worked with young people of 11, 14 and 17 years of age), gender, and their local community (some were drawn from large urban settings, others from rural areas). These factors are considered in chapter six.

Chapters seven and eight recognise that rather different paradigms may be employed: first we analyse the potential implications of these findings from a psychological perspective, and in the following chapter, the outcomes from a sociological viewpoint.

Returning to one of the main points of this book, fairness is not a simple term, and is frequently used with very different meanings. At its heart is a notion of what is a just distribution of some resource or good. Not only are resources and goods limited in any society (and therefore societies need some form of procedural justice to establish processes of allocation), but within societies resources are not equally distributed. This unequal distribution does not necessarily imply that something is 'not fair'; there are many instances where 'fairness' is seen as being other than equal.

For example, many people hold that it is fair to reward meritorious behaviour and achievement with greater resources. Someone who has studied hard and

successfully, who has spent time training for a particular job, can be said to deserve a larger share of the cake than someone who has not. The same might be argued for someone who is prepared to take on responsibilities: it can be seen as ‘fair’ that they are rewarded for this, in comparison to a person who does not have significant responsibilities for others.

In contrast to this, there is the fairness of need. A compassionate society is one in which the less fortunate are treated fairly, so a person with ill-health is supported with a fair public allocation of benefits, or a person who has lost their job is supported, and so on. Fairness here consists of the commonwealth of citizens contributing to the support of those with specific needs, allocating resources that have been earned by the work of the majority to individuals who have not contributed to the creation of wealth, in its broadest sense.

Thirdly, we can see the fairness in rewarding the more productive rather than the less productive. This is seen in many forms of public life: the more experienced worker being higher on a pay scale; the piece-worker on a production line being rewarded, in part, as a proportion of their individual output. Most people judge it to be fair that an artist – say a musician or a writer – earns royalties on their output, which is proportional to the public’s willingness to buy their works. (Though many of the same people will argue that it is fair to appropriate the same work for free from the web or through other forms of copying!)

It is in this context that the writings of John Rawls and Amartya Sen are particularly relevant to this discussion.

John Rawls’ work, set out in *A Theory of Justice* (1971) establishes two essential principles for justice to be effective: firstly, each person should have an equal right to the most extensive scheme of equal basic liberties that is compatible with a similar scheme of liberties for others. These would include the traditional liberties of political activity, property, speech, assembly, conscience, and so on. The second principle he puts forward concerns how social and economic inequity is to be dealt with: he argues that they should be so ordered that they are to be of the greatest benefit to the least-advantaged members of society (which he terms ‘the difference principle’), and there must be equality of opportunity to all to participate in holding office and positions (Rawls, 1971: 303). He is arguing here that basic or primary goods should be equally distributed, and inequalities in this only tolerated if this would improve the lot of those who are worst-off under that distribution in comparison with the previous, equal, distribution. Chances of birth and of inborn talents, he asserts, should not determine life chances. The second element of his difference principle – equality of opportunity, is fundamental in that it demands that all should have the opportunity to acquire all those skills on which merit is judged.

Sen develops these positions; his particular contribution has been the concept of capability as a measure of equality. The fairness of a government, he argued,

should be assessed by the capabilities of their citizens, rather than the opportunities that may be made available to them, which remain theoretical opportunities or rights if citizens do not have the capability to exercise them (Sen, 1980). He argues the right to vote is not real, if citizens lack the capacity to vote – the education to understand the process, the possibility of getting to the polling station. Sen has led the critiques of the economic model that self-interest drives all human behaviour.

Sen has recently (2009) set out the differences in a parable-like form. He contrasts three children's competing claims for ownership of a flute. Anne is the only one of the three who can play the instrument; Bob, unlike the other two children, who are rich, asks for it on the grounds of distributive fairness; whilst Carla's claim rests on the grounds that she had, over many months, made the flute (pp 12 – 15). Bob's claim would be supported by economic egalitarians, seeking to reduce differences between the (economic) means of people. Carla's claim is both libertarian and recognises the labour theory of value. Anne's claim is based on hedonistic utilitarianism, and on the principle of not wasting an asset. But, as Sen sets out, utilitarian, egalitarian and libertarians will all recognise the dilemma of what is fair, and acknowledge there is some validity in the other claimants' arguments.

Some of these different conceptualisations are brought together in forms of taxation policy. Thus what is called progressive taxation is where those with greater income or wealth are taxed at a higher rate on a proportion of their wealth, and where those with relatively low incomes are taxed at a lower rate, or even not at all. Thus the first 6000 units of annual income for an individual might not be taxed at all, income from say 6001 to 40,000 be taxed at 20%, income from 40,001 to 100,000 be taxed at 40%, and all income over 100,000 taxed at 50%. This is not equal taxation, but is widely perceived of as fair. It is considered to be fair for the rich to contribute more to the national pot of resources for public spending. Conversely, regressive taxation – where everyone pays the same amount, for example – is widely seen to be unfair. The example in the UK of Margaret Thatcher's Community Charge in the 1990s is an example of this: all individuals, however poor or wealthy, were charged the same flat amount for local community provisions. Those who felt that a £500 charge has a very different impact on the economic well being of a person earning £5,000 a year than it does on a person earning £100,000 argue that it is unfair for everyone, irrespective of their means, to be required to contribute the same amount. Progressive taxes thus relate both to the fairness of need and (inversely) to the fairness of reward based on merit and productivity.

Fairness can also, of course, mean equality. This is the fairness of cutting the cake, and it is the experience that many children are socialised into, and often begins with learning to share with siblings and classmates. This can be quite literally cake cutting: many parents approach the distribution of a cake, or a bar of chocolate, or whatever, between two children by asking one child to divide it into two portions,

and allowing the other child to choose the portion they want. This can be a remarkably quick and potent teaching strategy. However, it is also a mathematical problem, in that this procedure for proportional and envy-free allocation only works in the simple case of a ‘cake’ that is homogeneous and equally valued by the players. If – to take a slightly bizarre example – a cake that consisted half of a Roscón de Reyes and half of a Makowiec cake¹ was to be divided by Juan and Jan. The Roscón has lemon and orange peel with an almond filling; the Makowiec is full of poppy seeds and raisins, with some orange peel. If Juan and Jan both like the two types of cake equally, there’s no problem. But if Jan prefers the Makowiec (just like his grandmother bakes), but does not know whether Juan prefers the Roscón or the Makowiec, then Jan’s strategy will be to divide the cake so that each portion has equal amounts of each type of cake. But this means that, whatever Juan’s preferences, Jan only gets half of his preference. If, in fact, Juan preferred the Roscón, then this division would, in economic theory, be described as not being Pareto efficient (defined as “the best that could be achieved without disadvantaging at least one group (Schick, 1970: 32)): there are better ways of making a distribution that would make both Jan and Juan better off, and neither worse off (see also Pareto, 1906). The most Pareto efficient model, in this situation, would be a division that separated the two types of cake – but this would depend on Jan knowing Juan’s preference, and liking Juan (or at least, not wanting to spite him: if he did, then he might put all the Makowiec, and just under half the Roscón in one portion, and just over half the Roscón in the other – but this risks Juan spiting Jan back by taking the portion that contains all the Makowiec).

This example shows that fairness is not necessarily simple, nor can it necessarily be equated to equality (a recent paper by Brahm, *et al.* (2006) has described a process that will solve this kind of cake-cutting problem). The processes that can be observed in these situations, and in the Ultimatum Game experiments that are described in this book, show that people are not necessarily simply trying to maximise their gains, but also wanting to see that they get roughly the same share as other people. Bolton and Ockenfels (2000) have developed this into an Equity, Reciprocity and Competition theory that suggests that even when humans try to maximise their economic advantage (they do not always try to do this), they involve social considerations in their calculations (Fehr & Renninger, 2004). Trust and reciprocity figure large in many kinds of social and economic transactions (Uhlhaas, 2007).

This contrasts starkly with the neoclassical economist’s model of economic behaviour. Traditional economic theory posits *homo economicus*, economic man (sic), who always acts rationally to maximise his self-interest, working selfishly to

1. Roscón de Reyes is a popular Spanish cake, frequently consumed during the Epiphany; the Makowiec is a similar confection produced in Poland in the Christmas season.

achieve the largest possible profit. Conventional economics argues that the market, the ubiquitous and most efficient mechanism for determining price and value, and governing exchange, depends on all individuals acting rationally, on complete knowledge, to take full advantage of scarcity to maximise their wealth (eg Robbins, 1963). In some societies, whole educational programmes have been founded on teaching school pupils the truth of such propositions. In the United States, for example, academics such as Mark Schug and William Walstad have developed tests of economic knowledge (Walstad, 1992) and programmes of instruction (eg Schug, 1990, 2000, 2003) that have, with proselytising zeal, sought to impress on pupils that economic self-interest can provide a rational explanation for all human behaviour.

Homo economicus has not been unchallenged. A series of economic games have been developed that look at human interactions and exchanges between adults, including cake-cutting exercises (above) and the ultimatum game, which has provided the substantial basis for the research we present here. Inequalities in society have important consequences. Wilkinson and Pickett (2009), in a synoptic study of a wide range of social inequalities across over 20 economically well-developed countries, conclude

It may seem obvious that problems associated with relative deprivation should be more common in more unequal societies. However, if you ask people why greater inequality reduces these problems, much the most common guess is that it must be because more equal societies have fewer poor people. As well as being only a minor part of the proper explanation, it is an assumption which reflects our failure to recognise very important processes affecting our lives and the societies we are part of. The truth is that the vast majority of the population is harmed by greater inequality (p 181).

The concept of cooperation is related to concepts of equality and fairness. Social organisation – civil societies – are based on the premise that cooperative behaviour in complex societies, where people do not know everyone else in the society, work better when we can agree on regulations and limits on individual freedom, to help advance the common good.

Competition and cooperation are often portrayed as being attached to particular and opposing systems of values. Societies and economies have been predicated and built on ideologies that are based around one or the other. Each has claimed that their preferred characteristic offers a particularly virtuous way of organising society, and criticised the other's approach. As was noted above, the conditions for competitive economic behaviour set out in traditional market economics are based on a series of assumptions, including a psychological construct of the individual: the aggregated behaviour of these economic individuals is held to govern the way

in which markets operate (through what Adam Smith (1776) called ‘the invisible hand’ of the market). There is an emerging body of literature that now challenges many of these assumptions. Individuals and groups do not always act in a wholly self-interested or competitive way, and markets are rarely perfect. Self-interest is a particularly important concept to examine in relation to competitive and cooperative behaviours and is relevant to the results of this study.

Adam Smith is credited with being the first to explain the operation of the market. It is often suggested that he proposed that individuals should operate in a self-interested manner, developing their own wealth at the expense of others. But, in fact, he observed that ‘no society can flourish (where) the far greater part of its members are poor and miserable’, and was highly critical of how the free market affected society: he argued for publicly funded mass education, and for a road system that was free for users, unlike the then common toll-road system, and the public provision of social enterprises such as lighthouses, acknowledging that none of these could be provided by markets. For Smith, a society that operated only from self-interest would be flawed, and that the market needed to be carefully regulated and reined in by government in order to protect workers, both individually and as group.

Whenever the legislature attempts to regulate the differences between masters and their workmen, its counsellors are always the masters. When the regulation, therefore, is in favour of the workmen, it is always just and equitable; but it is sometimes otherwise when in favour of the masters.
(Smith, 1776, Book 1, Chapter 10).

He is not suggesting that people would benefit the community around them by simply acting in their own self-interest: they would need a conscious regard for community service. Self-interest did not necessarily equate with general interest. He did not argue that people *should* act in their own self interest, but described his observations that people appear to act in their own interest. Nor did he claim that *all* self-interest had a beneficial effect on the community, or that it was always good; he only held that self-interest was not necessarily bad.

Historical studies of the growth of mercantilism and of complex economic production, trade and marketing suggest that much of the development was conditional upon the growth of trust and cooperation between individuals and between groups of traders (Tilly, 1983). Contemporary economic organisations, and many modern commercial developments, demonstrate cooperative as well as competitive behaviour. For example, the development of open source software allows anyone to use software, freely and without charge, solely on the condition that they acknowledge the sources and make any improvements they add equally open to all. Improvements are haphazard and effectively decentralised, and the lack of formal

organisation allows diversity and product improvement, all of which is based on cooperation between programmers (Kowabura, 2000; Torvalds, 2001).

This idea of non-proprietary ownership also underpins modern science:

open source is not 'like' science, it is *part* of science. If we ask where free software flourished in the period from 1984 to the present, then the answer is: as part of the institutions of science. ... When open source and free software advocates compare free software to science, and the scientific method, they usually make the claim, often explicitly, that through some unspecified mechanism this open, collaborative, non-proprietary community of software development actually results in *better* software, whether indirectly through debugging or directly through openness and deliberative design. (Kelty, 2001:1-2)

Studies of scientific collaborations suggest that the more frequently a scientist works with others, the more productive and better known he or she is likely to be: Solla Price and Beaver (1966) found that 'the most prolific man [*sic*] is also by far the most collaborating, and three of the next four most prolific are also among the next most frequently collaborating' (p 1014):

Science in fact depends on collective activity, and information is not hoarded but made freely available. Popper points out in *The Logic of Scientific Discovery* (1959) that this is the very basis of inductive scientific method and advance, publication making it possible to refute hypotheses and findings, and becoming the basis others can use to construct new hypotheses. The assumption is that society as a whole will end up knowing more if information is diffused as widely as possible, rather than being limited to a few people. (Surowiecki, 2003:164)

Government – and thus citizens in their relationship with government – have an important role to play in the promotion of both competitive enterprise and in cooperative behaviour. Adam Smith required of government that it protect and safeguard the poor against the exploitation and excesses of capitalist greed. Governments regulate trade, often to ensure that competition is equitable. Legislation proscribes monopolistic behaviour that acts against the consumer, and against price fixing cartels. Legislation protects consumers by ensuring that goods are of quality, that they are not harmful, that they are clearly labelled to identify quantities and ingredients. Without insisting on consumers being given sufficient knowledge and information to make a reasonably informed choice, the nature of competition would act against the common good. At the same time, governments actively promote cooperation; they encourage – and

at times require – citizens to act in the public interest, rather than in terms of self-interest.

Paying taxes is a classic example of cooperation. Much of government's expenditure is on what are called non-excludable goods and services – which everyone benefits from, and which it is not easily possible to exclude people from benefiting. Smith's classic example of this was the lighthouse, that protected all seafarers from shipwreck, whether they contributed to the cost of erecting and maintaining the lighthouse or not. Everyone benefits from national expenditure on policing, transport infrastructure, public education and public health, whether or not they pay tax. Self-interest would suggest that the rational course of action would be to cheat, and avoid paying taxes, because there is a low likelihood of being caught. But most people cooperate and pay taxes. It may be individually costly, but it is collectively beneficial, and works if nearly everyone takes part. Margaret Levi argues that most taxpayers are 'contingent consenters' – they consent if everyone else is doing so (1999). Various experimental games in economic psychology suggest that, in most advanced societies, there is a sufficiently large proportion that understand and accept the need to contribute taxes for the common purse (Fehr & Gächter, 2000). Less than 15 per cent are selfish (or 'rational', in the classic economic sense) – and try to free-ride. Altruists are a similar sized minority, who will continue to contribute to the public pot, even when others are clearly free riding. Most people are conditional consenters, and will contribute to taxes as long as they feel and perceive that most other people are doing so. But if their perception is that others are free-riding, then their contributions will begin to decline.

Where is citizenship in this mix of competitive and cooperative behaviour? Do modern societies seek civic involvement because it gives people control over their lives and thus contributes to stability, or because individuals have the right to rule themselves, or as a way of making intelligent decisions and uncovering the truth? It can be argued that democratic participation is acting *against* self-interest: it is not rational to take part in elections, because the individual voting is extremely unlikely to have a direct effect of the result. Yet large numbers of people vote, because others vote, and the collective result does in some way represent a collective judgement. This is also seen in what people vote for. A study in the late 1970s in the USA suggested that people do not vote on the basis of their own personal economic well-being, but on how they perceive the general economy to be behaving (Kinder & Kiewiet, 1979, 1981). There was a substantial correlation between how voters saw the economy performing as a whole and how they vote, and virtually no correlation with their own personal economic position. Sears and Funk (1990) found that voters' ideological predilections were a much better predictor of their attitudes on issues than self-interest: they give examples from the USA of conservatives who did not have health insurance opposing national health insurance schemes, and

liberals with private health insurance who nevertheless favour the introduction of a national health insurance scheme.

Given this complexity, and the suggestion by Henrich *et al* (2004) that pro-social and cooperative behaviour may be socially learned and contingent on the socio-economic complexity of a society, the role of educators and schools in the process of developing cooperative – and perhaps competitive behaviour – is clearly of great interest. How do young people construct themselves and their identities as cooperators and competitors? In developing their civic behaviour, they operate in social conditions of both cooperation and competition: they will have an understanding of the differences and similarities in the ways in which their neighbours and fellow-citizens construct their own identities. An identity is competitive when it seeks to distinguish itself from others, and becomes cooperative when it seeks to align itself as a member of a group.

Turning from group cooperation to individual pro-social behaviour, various recent studies in economic psychology have examined individual decision-making processes, and have challenged the conception of the economically rational individual, who always operates in terms of his or her self-interest. The Ultimatum Game is an experimental economic game. It was first developed in 1982 (Güth, *et al*) and has since been widely used with adults to explore concepts of negotiation and reciprocity. Nowak, *et al* (2000) have described it as one of the most common economics experiments, catching up with the Prisoner's Dilemma² as a prime show-piece of apparently irrational behaviour. The Ultimatum Game has been used in a wide variety of societies, and presents a serious challenge to pure self-interest theory. In this game, two individuals who do not know each other are brought together for a one-off encounter. They are told that one of them will be asked to divide a single sum of money – typically an average day's wage – into two amounts, in any proportion that they choose. The other person may then decide to accept the sum offered – in which case, both participants take their allotted share – or to reject the offer, in which case neither gets anything (see Burnham, 2002). Whatever the decision or the outcome, the game is over and not repeated, so there is no possible calculated trade-off as to what might happen in a second 'round' of the game. Traditional economic realism would suggest that the participant making the division should split the sum in such a way that they maximise their income, and minimise the fraction offered. *Homo economicus* would behave, if they were the first player, by keeping the great majority of the sum, say 90%, for themselves, and only offering 10% to the other player. The second *homo economicus* would rationally, in their own self-interest, accept what was on offer, as being better than nothing. Unfortunately for this economic theory, in practice the great majority of

2 Another frequently used role-play that explores the concepts of negotiation and reciprocity.

people do not behave in this way. Most offers made are of between 40 and 50%, while offers that are made of 20% or less are usually rejected (Henrich *et al*, 2004; Oosterbeek, *et al*, 2004). Most people make more generous offers than would be predicted, and most people would rather have nothing than accept what is perceived as an unfair distribution. The Ultimatum Game can thus be interpreted as showing that people have a tendency not to tolerate disproportionate distributions, and do not accept social inequalities, and behave towards other in a broadly pro-social manner (Smith, 2003; Roth *et al* 1991).

These studies, repeated widely around the world, have recently been attempted in non-advanced societies of hunter-gathers, pastoralists and nomads (Henrich *et al*, 2004). Similar pro-social behaviour was observed, though not as great as in the 'advanced' societies considered in most of the earlier studies. But the degree of pro-social behaviour was greater in situations where there was more advanced social and economic interdependence in the culture. This correlation suggests that cooperative and pro-social behaviour develops with social and economic interaction, in just the same way that the Quaker industrialists discovered that trust in trading and dealing was easier and more worthwhile than relying on short-term gains based on lack of trust.

The Ultimatum Game has been played extensively in cross-cultural studies (Roth *et al*, 1991), and although there are variations between cultures, these are generally quite minimal. One large study did attempt a cross-cultural studies working with people living in isolated 'non-market' economies, and found rather greater variations (but often showing a cultural predisposition to offer even larger sums (Henrich *et al*, 2005). Hill (2003) has remarked that "the game ... simply provid[es] counter-evidence to the general presumption that participation in a market economy (capitalism) makes a person more selfish."

Why do people behave in this way? Several different theories have been put forth. Some researchers have suggested that the reputation of the proposer is significant: they do not want to appear mean (Gil-White, 2003). Others have attempted to explain the results through an 'inequity aversion' model, a preference for 'fairness' (Walster, *et al* 1978). Generous offers, which are not uncommon, have been explained by Zak, *et al* (2007) as being motivated by empathy or by perspective taking. Rejections have been explained by adverse physiological reactions to mean offers (Sanfey *et al*, (2002).

A number of researchers have suggested that altruistic behaviour may be an evolutionary trait, developed to support social behaviour among humans. Gintis *et al* (2003), for example, point out that behaviour such as that shown in the Ultimatum Game cannot easily be explained in terms of kinship or reciprocal altruism, and postulate 'strong reciprocity' as an evolutionary stable strategy in the early stages of human evolution (also Gintis, 2003). Carpenter *et al* (2004) suggest that social reciprocity requires people to punish those who violate the norms of prosociality

(such as making low offers). Bénabou and Tirole (2006) make a case that there is a heterogeneous mixture of human responses between individual altruism and greed, in which concerns for social reputation and self-respect can operate without extrinsic motivation, rewards or punishments.

Surowiecki (2004) suggested that low proposals were rejected because the sums played for were relatively low: a split of just 5% of say ten million dollars might be accepted. But there have also been experiments where there have been relatively large sums involved: Cameron (1999) and Hoffman *et al.* (2000) have found that with high stakes offers were more often an even division, as in a \$100 game in Indonesia (where the average 1995 income per head was \$670). Offers of \$30 were rejected, even though this was about two week's income.

Pro-sociality becomes stronger because it works. Bowles and Gintis (2003) argue that many people exhibit a characteristic they describe as strong reciprocity, which is a willingness to reward good behaviour and to punish bad behaviour, even when doing so brings no material benefit to the individual. Such pro-social behaviour occurs when people go beyond the narrow definitions of self-interest and do things that are in the common good. People who are strong reciprocators behave in his way because they react against what they see as violations of their personal sense of what is just. They do so, not necessarily for reasons of simple altruism or humanitarianism, but because of a sense of equity, though the outcome would be the same if their behaviour was purely altruistic. The effect is the same: offers made are generally equitable, inequitable behaviour is punished, even at the expense of self-interest (Bowles & Gintis, 2003; Hammerstein, 2003; Fehr & Gächter, 2000).

In the study described in this volume we have tried to avoid using terms such as altruism to describe behaviours, and to confine its use to the justifications and motivations used by others. Altruism was a word created by Comte (1851), the early sociologist. Taking the Italian word *altrui* ('to others'/of others'), he intended it to be used to describe the other-regarding attitudes of humans. Although it has sometimes been used to describe behaviour, where the consequences of an act are seen as more significant than the intentions, in the activities that we set out here, we think it clearer if we distinguish precisely between the two by always describing behaviours in neutral terms, that do not imply any judgment as to intentions, and reserving terms such as altruism and selfishness to describe motivations and intentions – or, to be more precise, motivations and intentions that were described to us.

These studies of group and individual cooperative behaviour and competitive behaviour suggest that there is a far more complex relationship between them than might at first be supposed, and that neither offers a complete account that will explain behaviour in a complex society. Knack and Keefer (2001) demonstrate that the advantages of commonly accepted and agreed patterns of cooperation are that individuals in higher trust societies spend less to protect themselves from being exploited in

economic transactions. Written contracts are less likely to be needed, and they do not have to specify every possible contingency. More recently, Bénabou and Tirole (2005) have attempted to bring these studies together, developing a theory of pro-social behaviour that combines heterogeneity in individual altruism and greed with concerns for social reputation or self-respect. They argue that rewards or punishments raise questions about the motivation of pro-social deeds, and that extrinsic incentives can crowd out pro-social behaviour.

At this point, we should re-establish that these terms – altruism, fairness, equality, and so on – are being regarded as social constructs, rather than as essentialist. Berger and Luckmann have argued that all knowledge, including common sense and knowledge of everyday reality, is built up through social interaction. Harold Garfinkel provides an account of “normative assumptions” that are based on social and cultural organisation and which allow members of society to interact in a knowledgeable and “acceptable” way. Garfinkel proposes that all members of society use what he calls “background expectancies” as a “scheme of interpretation” (1967: 37). In any social discourse, the participants tacitly understand that their perceptions of events and activities are related and largely held in common.

When we talk about the world we live in, we engage in the activity of giving it a particular character. Inevitably, we assign features and phenomenon to it and make it out to work in a particular way. When we talk with someone else about the world, we take into account who the other is, what that other person could be presumed to know, ‘where’ that other is in relation to our self in the world we talk about. (Baker, 1982:109)

Knowledge – and all the terms used to describe it – are negotiated through discourse and are presented as objective reality. This “situational” aspect of knowledge is used by discourse participants to “accomplish” agreement about their reality through “local, shareable and routinized constructions of conventional lay knowledge” (Järviluoma, *et al* 2003:76). Pinker gives a series of examples of such social constructions: “they exist only because people tacitly agree to act as if they exist. Examples include money, tenure, citizenship ...” (2002: 202). These objects are part of “social reality” (Searle, 1995:63).

This supports the argument against cultural relativity. Certain procedural values, such as those of justice and fairness, may be locally constructed but nevertheless agreed as socially desirable, or even as imperatives. As Blommaert and Verschueren have argued, there are some discursive resources that become “naturalised” and powerful enough to influence opinions and behaviour (1998: 25).

In today’s society, young people are growing up “in a society that can for vari-