



The role of identity and authority from anarchy to order: Insights from modeling the trajectory of dueling in Europe



Mehrdad Vahabi^b, Behrooz Hassani-Mahmooei^{a,*}

^a Department of Econometrics and Business Statistics, Monash University, Australia

^b Department of Economics, University of Paris 8 and Centre d'Economie de la Sorbonne, France

ARTICLE INFO

Article history:

Accepted 4 February 2016

Available online 28 February 2016

Keywords:

Agent-based Computational Economics

Conflict theory

Duel of honor

Identity economics

Orderly anarchy

ABSTRACT

The economics literature usually assumes order in terms of a Weberian state with monopoly over the means of violence. In this paper, we study historical situations in which such an order is absent and violent conflict namely duel of honor is an institution. Anarchy or the absence of state rules in managing violence does not imply the absence of private rules and arrangements (such as codes of dueling). Our focus is on the possible ways that a Weberian order can emerge from anarchy. We endeavor to capture this transition by introducing a computational model in which a simulated agent represents a social individual who considers both economic and political factors and interacts with other individuals as well as institutions to make a decision. We then use the trajectory of dueling in England, France, and Germany to validate our approach. The paper demonstrates how a complex, aggregative historical process over three centuries may be consistently explained on the basis of rational choices among heterogeneous agents conditioned by their group identity and State authority.

© 2016 Elsevier B.V. All rights reserved.

1. Introduction

Change, transition and evolution are undeniable aspects of social systems and so any social-scientific theory that does not address them will be considered incomplete (Haferkamp and Smelser, 1992). The Blackwell Dictionary of Sociology defines social change as ‘any alteration in the cultural, structural, population, or ecological characteristics of a social system such as a society’. More specifically, according to Rogers (1971), social change is a process through which two main dimensions of a society, namely its structure and its functions, will be altered; as a result of which, all other aspects of life in a society, including the state and dynamics of its economy will be affected due to these sudden or gradual transitions.

North et al. (2009) define ‘social order’ as political and economic arrangement among elites to manage and control violence. Violence management requires the interaction of institutions and organizations. In their viewpoint, institutions are a set of formal rules, written laws, social conventions, informal codes of conduct, shared beliefs and expectations, as well as common means to apply the rules. In contradistinction to institutions, organizations embrace specific groups of individuals that follow collective goals by coordinating at least partially their actions. Organizations notably states are required to enforce rules. Borrowing from Weber, they consider State as an organization having monopoly over the legitimate means of violence. In this perspective, anarchy pertains to the absence of state monopoly over violence.

However, in economic literature, the meaning of ‘chaos’ has been scrutinized further. In their pioneering model on ‘Anarchy’, Bush and Mayer (1974) introduced a distinction between ‘anarchy’ and chaos. While the latter pertains to the absence of any rule, ‘anarchy’ can be conceived of a society without a state but not without rules. In this sense, a Weberian state with monopoly over the means of violence provides a benchmark for ‘order’. Public choice economics introduced a research project (see for detailed surveys, Stringham (2005, 2007)) focusing on how an ‘orderly anarchy’ might persist. In this perspective, one of the main research topics has been “how individuals interact without government?” and whether “central authority is not needed to create or enforce a legal system governing intergroup interactions” (Leeson, 2009; Powell and Stringham, 2009). For example, while Somalia has been classified as a “failed state” by the *Failed States Index*,¹ Leeson and Williamson (2009) characterize it as a benchmark of anarchy and claim that anarchic Somalia outperforms many Sub-Saharan African (SSA) countries that have governments. “If state predation under predatory political governance is severe enough, anarchy can produce higher welfare.” (2009, p. 88). The merits of such a research program in understanding ‘failed states’ notwithstanding, it does not focus on the transition from anarchy (failed states) to order (Weberian state). Similarly, a major question is how political stability can emerge from the present anarchy in countries like Afghanistan, Iraq, Libya, and Syria. While lots of attention is now paid to transition from order

¹ The classification is established by Foreign Policy and the Fund for Peace, see Foreign Policy/Fund for Peace, *Failed States Index*, accessible at www.fundforpeace.org and <http://foreignpolicy.com>.

* Corresponding author.

to anarchy during events such as Arab Spring, the processes through which a new order might establish from a chaotic situation in the Middle East region is sometimes overlooked.

We believe that this can be due to two main reasons: 1) the fact that fewer theoretical frameworks are available to explain the transition from anarchy to order, and 2) the nature of the transition from anarchy to order makes it hard to validate and verify the theoretical models that already exist.

This paper uses duel of honor to show how such transitions can be better explained. The duel of honor is one of the best indicators of social and political transition from the older feudalism of fragmented political power to a stronger, centralizing monarchy. It lasted much longer in France than in England, and longer in Germany than in France. This process corresponds to Hobbes's transition from anarchy to Leviathan. Borrowing from public choice literature, while aristocratic civil wars can be regarded as chaos, and the monopoly of violence by the state as Leviathan (order), the duel of honor is anarchy (or an 'orderly anarchy'²), because it entails extra legal or illegal strictly codified and regulated private conflict.

Utilizing available historical evidence on dueling in Europe, we argue that, to model, comprehend and explain transition from anarchy to order, we need to understand the two main players of social change, namely, individual and society. The main challenge that the current literature is facing, especially in economics, is that an individual is often regarded as a 'representative' agent without any social identity and interaction with other individuals and society. On the other hand, society is understood as aggregative bodies particularly through structures, laws and regulations that do not directly interact with individuals.

This study contributes to better understand social transitions in four major areas.

First, following Akerlof and Kranton (2000a, 2000b), we attach identity to our agent and define it as a "social individual" instead of a "representative agent". By gaining identity, this individual will then be able to represent a specific group of members of the society. This allows us to change the size and identity of each group so that it can represent an evolving social group through time.

Then, we introduce "authority". In economics, institutions as formal and informal rules (North, 1990) are usually regarded as *constraints* on the agent's choice but not as part of his/her utility function. But if agents are considered as social agents (for example aristocrats versus commoners), their institutional attachment is no more a constraint in defining their utility function but is rather part of their utility function as suggested by Akerlof and Kranton (2010). In line with the literature on law and economics, in our model, institution not only embraces the role of formal law, but also captures the evolution of this role in response to the decisions made by the social individual. In this sense, we adopt an institutionalist approach in which individual preferences are not given exogenously.

Third, we allow the agents and authority to interact at three levels. Firstly, there will be an intergroup interaction where the agent will affect and will be affected by its peers. Then, members of different groups will have impact on each other's decisions, and finally our social individual and the authority interact.

Finally, we apply an advanced computational modeling technique on a historical case of transition from anarchy to order, namely duel of honor. This type of violent conflict was an institution that lasted over three centuries in Europe. Its emergence and evolution is a complex social phenomenon involving the role of individual's social identity and military skill as well as formal and informal problems with the state enforcement of laws. The efficiency of the computational technique has already been acknowledged by evolutionary economics (Dosi et al., 2009, 2010) and public choice economics (Wallick, 2012). In this paper, we will show why this technique may be of interest to the institutionalist

approach. In fact, in contrast to other modeling techniques, computational economics do not need 'simplification'. Deep and specific knowledge about duel of honor as an aristocratic institution throughout history can be distilled in the assumptions of each of the stages of the model. In this way, the model integrates all the relevant stylized facts of a complex social phenomenon. While institutional knowledge enriches the model, the model provides all theoretically possible historical trajectories including the counterfactual ones. The complex social reality is then understood not as a fatal destiny but only as one possibility among many others that occurred due to 'path dependency'. From a methodological point of view, this paper tries to reconcile an institutionalist approach with theoretical or analytic narrative through advanced computational techniques.

The next section provides a critical survey on duel of honor in economic literature. Section 3 introduces our theoretical model of dueling in four steps: each step involves adding a new feature, in an attempt to replicate the trajectory of dueling observed in Europe. Section 4 validates the model based on historical evidence from England, France, and Germany over three centuries, and Section 5 presents our conclusions.

2. The state of art on duel of honor in economic literature

While social historians and legal scholars have investigated various features of dueling on the basis of culture, honor, gender, or court substitution in Europe, North America, and Latin America, economists and economic historians have ignored dueling as an 'exotic institution' until recently.

Game theorists have been interested in strategies about when to shoot (Kurisu, 1983, 1991), but overlooked *dueling as a social institution*. To our knowledge, Volckart (2004) was the first to model a similar phenomenon, specifically feuding in late medieval Germany. However, duel of honor is not the same as feuding, vendettas, brawls, jousts, or tournaments.

In addition to Volckart's work, two recent papers (Allen and Reed, 2006; Kingston and Wright, 2010) have presented efficiency explanations for dueling.³ However, these papers address only the motivation of a rational individual duelist and neglect the broader question of dueling as a *transitional social institution*, an issue that has been discussed extensively by social historians and legal scholars. Allen and Reed (2006) suggested that the duel served as a screening device separating marginal aristocrats who had not invested in unobservable social capital within a social context in which patronage and trust were important mechanisms for monitoring political exchanges. They argued that "when patronage was ultimately replaced by a professional bureaucracy based on merit, dueling ceased to be practiced" (Allen and Reed, 2006, p. 88). If their argument is correct, then why did the duel particularly persist in France and Germany at the end of the nineteenth century despite the existence of a modern professional state bureaucracy based on merit? The real issue is not whether dueling was 'efficient' or 'inefficient,' but why dueling norms persisted despite the changing political and social factors that undermined their efficiency.

According to Max Weber, dueling has a peculiar transitional character that results from *contradictory orders*.⁴ By 'contradictory orders', he referred to the fact that although the duel was expressly forbidden by the Criminal Code in Germany, "the readiness to participate in a duel is still a *legal* obligation imposed by the state upon its army officers" (Weber 1968, p. 318). In this sense, the question about dueling was not whether it was legally and socially valid or not, but how these two contradictory norms and institutions could coexist together and could these contradictory orders evolve through time (Weber 1968, p. 32). Kingston and Wright (2010) neglected this transitional character,

³ Gagné (2007) developed a non-formalized model of dueling in which agents pretend to comply non-rationally while feigning not to notice that most others do the same.

⁴ For simplicity, hereafter we will use the shorter term 'contradictory orders' instead of Weber's original term of 'contradictory systems of order.'

² For a detailed discussion of 'orderly anarchy,' see Powell and Stringham (2009).

Download English Version:

<https://daneshyari.com/en/article/5053553>

Download Persian Version:

<https://daneshyari.com/article/5053553>

[Daneshyari.com](https://daneshyari.com)