Reciprocity and the Art of Behavioural Public Policy

What motivates human behaviour? Drawing on literatures from anthropology to zoology, Oliver examines how we are motivated to give and take, rather than give or take. This book reviews the evolution of reciprocity as a motivator of behaviour, in terms of its observation in non-human species, in very young humans, and in societies that we can reasonably expect are similar to those in which our distant ancestors lived. The behavioural economic and social psychology literature that aims to discern when and in what circumstances reciprocity is likely to be observed and sustained is also reviewed, followed by a discussion on whether reciprocity is relevant to both the economic and the social domains. The dark sides of reciprocity are considered, before turning again to the light, and how the potentially beneficial effects of reciprocity might best be realised. This culminates in the presentation of a new political economy of behavioural public policy, with reciprocity playing a prominent role.

Adam Oliver is a behavioural economist and behavioural public policy analyst at the London School of Economics and Political Science. He is a founding Editor-in-Chief of the journals, Health Economics, Policy and Law and Behavioural Public Policy. He edited the book, also titled Behavioural Public Policy (Cambridge University Press, 2013), and authored The Origins of Behavioural Public Policy (Cambridge University Press, 2017).
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Adam Oliver is a behavioural economist and behavioural public policy analyst at the London School of Economics and Political Science. He has published and taught widely in the areas of health economics and policy, behavioural economics and behavioural public policy over the past twenty years. He is a founding Editor-in-Chief of the journals, *Health Economics, Policy and Law* and *Behavioural Public Policy*. He edited the book, also titled *Behavioural Public Policy* (Cambridge University Press, 2013), and authored *The Origins of Behavioural Public Policy* (Cambridge University Press, 2017).
For two Charlies: Darwin and Oliver.
The latter, named after the former, was worth the wait.
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Preface

Towards the front of East of Eden, in a note – almost a love letter – to his publisher, Pascal Covici, John Steinbeck (1963) wrote:

Dear Pat,

You came upon me carving some kind of little figure out of wood and you said, ‘Why don’t you do something for me?’

I asked you what you wanted and you said, ‘A box’.

‘What for?’

‘To put things in’.

‘What things?’

‘Whatever you have’, you said.

Well here’s your box. Nearly everything I have is in it, and it is not full.

Pain and excitement are in it, and feeling good or bad and evil thoughts and good thoughts – the pleasure of design and some despair and the indescribable joy of creation.

And on top of these are all the gratitude and love I have for you.

And still the box is not full.

I have been working on the ideas presented in this book for seven or eight years, and have had the opportunity to study many areas that I am genuinely interested in (and wish I had more expertise), from anthropology to zoology, lexicographically speaking. I published some of my initial thoughts on the topic of reciprocity in an article that appeared eventually in the American Review of Public Administration [Oliver, 2018], but I felt that the themes that I raised merited a book-length treatment. No author can genuinely call their own book a must-read, but for me this book became almost a must-write. I cannot say that the book that I hope you are about to read is an East of Eden, but I can relate to Steinbeck’s note: it may not be perfect, but I have put a lot of what I have into it.
The literature on reciprocity is immense, rich and multidisciplinary. Indeed, in that reciprocity is perhaps humanity’s most fundamental and widespread social norm, it sometimes seems, to me at least, that almost all readings relate to it in some way. Given that I cannot read everything, the readings that I have referred to in this book are necessarily selective. I can only apologise to those who believe that I have excluded arguments, evidence, information or policy implications that they deem relevant to this book, and I urge them to take up the mantle of reciprocity in their own writings.

Despite the rich literature on reciprocity, efforts to collate the principal arguments from across the different relevant disciplines into a single space are relatively scarce. Moreover, and somewhat bizarrely, efforts to inform the design of public policy with this fundamental motivator of human behaviour have, until recently, been lacking. Rather, over the past several decades, the literature on motivation in public policy has tended to focus on whether people are pure altruists or selfish egoists (with the latter assumption generally triumphing), and yet that we take from and give to others is a more realistic generalisation of human behaviour than arguments that we unremittingly take from or give to others. In recent years, however, with the rise of behavioural public policy, there has been increasing recognition in the policy discourse that the standard model of rational behaviour, underpinned by the assumption of egoism, is not fully reflective of actual human behaviour, and a closer consideration of reciprocal motivations is coming to the fore. In short, a paradigm shift is perhaps occurring in this field of analysis, and the book before you is intended as a contribution to that effort.

1 At a teachers meeting at the London School of Economics and Political Science in 2007, Julian Le Grand proposed that he would teach a new postgraduate course that combined behavioural insights with public policy, and requested suggestions for a title for the course (a course that I now direct). Mara Airoldi suggested the title, Behavioural Public Policy, which Julian embraced. I cannot dismiss the possibility that someone else had previously used this term, but it was in that meeting that I first heard it.
The main motivations for writing this book are thus twofold: to outline the role of reciprocity from a multidisciplinary perspective, and to add to the efforts of making this concept more central in considerations of public policy design. The structure of the book is as follows. First, the various definitions of reciprocity will be summarised, and then the evolution of the phenomenon will be considered, in terms of its observation in non-human species, in very young humans, and in societies that we can reasonably expect are similar to those in which our distant ancestors lived. Some of the behavioural economic and social psychology literature that aims to discern when and in what circumstances reciprocity is likely to be observed and sustained will then be reviewed, before a discussion of the relevant domain(s) of reciprocity – i.e. economic and/or social – is offered. Reciprocity has a dark side – indeed many darks sides – and these will be considered, before focusing again on its potential benefits, and how these may best be realised. Some ways in which reciprocity might more specifically inform the design of public policy interventions will be presented, before a new political economy of behavioural public policy – of which reciprocity is a fundamental part – falling within, or at least alongside, the liberal economic tradition, is proffered. The book ends with some concluding thoughts.

NOTES ON STYLE

I have tried to write this book in a style that will be accessible and interesting to a multidisciplinary audience, and to experts, policy makers, students and interested laypersons. I have pitched it somewhere between popular science and a technical academic text, in the spirit of Daniel Kahneman’s (2011) Thinking Fast and Slow.

When the occasion calls for it, I have used the terms ‘she’ and ‘her’ rather than ‘he’ and ‘him’. Following a coin toss, I used the masculine terms in my previous book, and it was thus the turn of the feminine. British English is used throughout.

Footnotes are used in all of the chapters. The reader will be able to understand my arguments from the main text, but I like to think
that the footnotes provide digressions and a little more nuance, and, indeed, that they enrich the narrative, and thus some readers may find them useful.

At the end of each chapter, in the form of a few questions, I have provided some Food for Thought. This again mirrors Kahneman's Thinking Fast and Slow; clearly, I think that he sets a good example. If I have provided at least a few people with some food for thought in the pages that follow, then I feel I will I have done my job.
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