
Theory on the Prowl

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THE FALLACY OF COMPOSITION

The principal theoretical move in modern microeconomics is the explanation of collective results by reference to individual incentives for choice—the explanation of macro results from micro behavior. For example, prices are macro phenomena that follow from micro choices of consumers and producers. Much of political reasoning historically has been at the collective or aggregate level. It has often been assumed that values at the aggregate level merely reflect values of individuals, as though there were no complications in aggregation. For example, the traditional group theory of politics from Arthur Bentley to David Truman assumed that what the individual members of a group want is what the group, acting in the aggregate, will attempt to provide. This is a very old assumption, going back at least to Aristotle. In the case of traditional group theory, the inference is wrong. Indeed, it may be the most pervasive and destructive mistake in all of social theory.

Rational choice theory is the use of argument from individual incentives to collective outcomes, of micro motives to explain macro behavior. Economic reasoning has been with us for a very long time in many contexts,

but the first big, compelling rational choice theory of politics was, perhaps, that of Thomas Hobbes. Hobbes argued that all would be better off with government than without. Hobbes was self-consciously a master at rational choice theory, and he may have had no peers in self-conscious commitment to it until the past several decades. Still, there were many others between Hobbes and our time. Among others who soon followed were Bernard Mandeville, who explained how public virtues come about as the unintended consequences of the private vices of self-interest, and David Hume and Adam Smith, who gave us philosophical histories of the stages of development of states. Many commentators, from Thrasymuchus to Machiavelli and on to contemporary campaign advisers, have argued for the elevation of self-interest—the self-interest of leaders only—above all other concerns. But they have generally not been rational choice theorists in the explanatory sense in which Hobbes, Mandeville, Anthony Downs, Mancur Olson, and, arguably, such practitioners as James Madison have been.

The dramatic and direct influence of economists on the foundations of contemporary political science may reasonably be said to have begun with the work of Joseph Schumpeter on democracy, John von Neumann and Oskar Morgenstern on game theory, Kenneth Arrow and Duncan Black on social choice, Downs on electoral politics, and Olson on interest group theory. As it happens, with the partial exception of game theory, all of these contributions were essentially destructive or negative. They explained why things may be hard or impossible. In particular, they all undercut certain hopes for democratic theory, both as a positive theory and as a normative theory. There have since been many other results that are positive rather than negative, but the tenor of the individualist analysis of politics in what has come to be called rational choice or public choice theory remains pessimistic. The worst results suggest there is little connection between aggregate patterns of individual-level motivations and public choices. Many results, however, explain seemingly odd public choices and institutional devices from individual-level motivations.

Though rational choice is inherently addressed to the individual level, it reaches conclusions at the collective level. In this it is not different from the bulk of traditional political argument. The usual difference is that rational choice analysis connects individual-level actions to collective-level results by focusing on strategic interactions among the individuals, whereas traditional arguments much more commonly infer collective-level results by direct analogy from individual-level intentions or interests. The typical conclusion of a rational choice analysis of politics is against such easy analogical inference from the individual level to the collective level. Indeed, many of the most important conclusions of rational choice analysis are, at least implicitly, against fallacies of composition. We commit a fallacy of composition when, for example, from the premise that every individual can decide how to act, we conclude that the human race or a nation or a group can decide how it will act. Our assumption may be true of some inferences from individual to group characteristics, but this must be shown, not merely assumed.

Consider one of the most cited and most influential fallacies of composition in political theory. Aristotle’s wonderful Politics opens with an extraordinary inference:

Observation shows us, first, that every polis (or state) is a species of association, and, secondly, that all associations are instituted for the purpose of attaining some good—for all men do all their acts with a view to achieving something which is, in their view, a good. We may therefore hold [on the basis of what we actually observe] that all associations aim at some good; and we may also hold that the particular association which is the most sovereign of all, and includes all the rest, will pursue this aim most, and will thus be directed to the most sovereign of all goods. This most sovereign and inclusive association is the polis, as it is called, or the political association.

Against this sanguine and simplistic vision, we know that societies are typically torn by deep conflicts, as was Aristotle’s Athens. Hence, the form of government that emerges in our society may result from a morass of many conflicting considerations rather than from what any one person—let alone any large percentage of us—would have wanted. It is merely a fallacy of composition that a polis will seek what individuals would seek.

There are two ways to avoid the fallacy of composition in social reasoning. One is to ground all aggregate-level phenomena in individual-level actions and choices. The second is to develop a separate aggregate-level theory that is neither fallaciously inferred from individual-level analogies nor grounded in individual-level actions and choices. The latter approach has been at the center of the program of systems theory (as—preeminently in political science—in the work of David Easton) and of the program of structuralist theory that abstracts from intentions. The former is central to the program of economic reasoning in the social sciences, such as in rational choice theory. It is also often central to the program of much of psychology, especially social psychology. Much of the work of systems theorists is behaviorist in the strong sense that it makes no use of inferences from intentions or reasons. People are as much black boxes as are many system elements. Rational choice theory is inherently intentionalistic in large part, although some intentions and preferences may seem virtually objective and may be inferred without being checked against what any subject’s mind says. Structuralist theories are often ambivalent on this difference. They invoke both systemic and individual explanations. Unfortunately, they are not generally very clear about how these two articulate with each other.
THE RANGE OF RATIONAL CHOICE THEORY

Economic and strategic reasoning in the rational choice school of political economy have led to dramatic and novel insights, some of which have swept aside past understandings of politics. The grandest result has been the varied and repeated demonstration that the fallacy of composition can vitiate arguments in sociopolitical contexts. In his hotly debated theorem, Arrow attempted to show that principles of rationality that apply to individuals also apply to groups of individuals. He discovered, on the contrary, that they generally cannot, although under certain conditions of shared or patterned interests or preferences they might. Downs showed that the individual voter may have no interest in actually voting or in knowing enough to vote well even though she may have a clear interest in the outcome of the election. Similarly, Olson showed that the individual member of a group of people who share some interest may have no interest in contributing to the group’s securing its interest, so that the group may fail and the individual members may lose. In a period of about fifteen years, these three economists took much of the heart out of traditional political theory. They severely undercut democratic theory, and they demolished traditional group theory and the so-called theories of the responsible electorate and responsible parties.

Note that the forms of the fallacies of composition that Arrow faced differ from those that Downs and Olson faced. Arrow’s problem is strictly conceptual: is collective preference an analog of individual preference? His answer is generally no, as implied in the title of his original paper on the topic: “A Difficulty in the Concept of Social Welfare.” That title essentially states that it is a fallacy of composition to suppose that social welfare and individual welfare are analogous terms. The problem of Downs and Olson is not merely conceptual but is motivational: can a group’s interest motivate group action in a manner analogous with the way an individual’s interest motivates individual action? Again, the answer is generally no. In this second case, there is also a conceptual problem of whether group motivation makes sense the way individual motivation does. There may be no more natural task for a methodologically individualist theory than to show that individuals and aggregates of individuals are different, that we cannot trivially compose the latter from the former.

Each fallacy was recognized long before the rise of rational choice theory. For example, there has long been debate over the plausible meaning of the “public interest.” Collectivities, such as states, were often proclaimed to have interests that could not easily be seen as the interests of individual citizens. E. E. Schattschneider tried to salvage the notion of the public interest by noting that some so-called public interest groups addressed problems, such as capital punishment or vivisection, that were not the direct interest of the group contributors, whose contributions must have been stimulated by public interest or moral or other non-self-regarding motivations. Brian Barry, citing older literature, notes that many policies are public in the sense of being generally applicable, whereas others—for example, punishment for a particular crime—are personal. On this view, for example, we may all share an interest in having government or police protection. Barry argues that such an interest is not merely the aggregation or generalization of individual interests. In a somewhat odd sense, he is right. Even the thief has an interest in there being a reasonably good system of law and order because, if there were no such system, there would be such disorder that society would be unproductive and there would be little to steal. However, the interest we share is a grand one because it aggregates over so many of us. It is not merely an aggregation of the interests each of us has in specific instances of police protection but rather, as in Hobbes’s theory, the aggregation of the interests all have in a stable order. If such public interests are merely generalizations of individual interests, they might seem immune to the cycling of preferences that leads to Arrow’s theorem. But Arrow’s theorem applies to whole states of the world, not to piecemeal bits of it, and preferences over whole states are likely to cycle even if we all seemingly share interests in some details, even large details.

Much of the continuation of work on the Arrow, Downs, and Olson problems has been very technical. It is often incisive, but it is also typically very narrowly focused. Other work, such as the microeconomic analyses of more or less every bit of human behavior by Gary Becker and the game theoretic analyses of an increasing number of scholars, now seems broader and more broadly interesting. Moreover, in a pleasing return to the manner of Hume and Smith, there is increasingly common use of rational choice arguments at a discursive rather than technical level to address central problems in politics and in political philosophy. This literature typically brings normative and positive concerns together and sometimes rejects the behaviorist dictum that the positive and the normative can and even must be kept separate. In part, the impossibility of separating the two comes from the very value theory that stands behind the rational choice school. Contrary to common assertions that the value theory is formally neutral or empty, results derived from such theory very often depend on substantive content in it.

In some ways the best current model of this kind of political economy, as articulated in a relatively large body of work, is no longer the Arrow, Downs, and Olson literatures but rather work in law and economics. Much of this work is too narrowly focused on issues of very minor importance to political theorists, such as the effects of particular minor rules of trial procedure and evidence. But much of it is central to the effort to understand...
political institutions, some of the most important of which are those that promulgate, enforce, and adjudicate law. And, in its usual focus on efficiency, which is sometimes substantively equivalent to welfare and is otherwise a good skeptic’s proxy for welfare, law and economics is inherently a rational choice theory with a strong substantive value. Of greatest interest in this work, however, are the actual arguments over, for example, value theory and institutional structures, the level to which justificatory analysis should be directed, and the essentially strategic understanding of laws and legal rights. Arguably, a major reason for the success of law and economics is that it escapes the definitionalist tradition of legal theory—the tradition that focuses on such issues as what law is, on the concept of law, rather than on how it works.

In the massive literature that has responded to John Rawls’s theory of justice, the central problems are also the general value theory and the structure of institutions that protect and generate the values. Unfortunately, however, this literature is much less focused on real problems than is work in law and economics, and therefore it is typically much more glib and vague. It seems too easy to think problems can be resolved when they are not being directly confronted. Just when the argument might begin to develop in application to a real issue, scholars too often invoke Thomas Scanlon’s formally empty claim that we should accept that result which is a matter of reasonable agreement. In the face of this persuasive definition, a theorist may be reluctant to counter with unreasonable disagreement, although the larger world out there does just that. Alas, the prior questions are whether there is a result that follows from reasonable agreement and what are the principles of “reasonableness” that bring us agreeably to it.

Apart from debate over the quality and relevance of data, internal debate over results in individualist political economy typically focuses on one of two issues: value theoretic assumptions or the internal coherence of deductions from these. The value theory is actually a class of theories. These have grown out of extraordinary debate and criticism over a couple of centuries. Almost uniquely in the social sciences, economics and individualist political economy therefore have very well-articulated value theories. One might object to these theories in many ways, but in raising an objection one has the advantage of a relatively clear and cogent target rather than an amorphous mass of vague generalizations and too firm and specific, but ungrounded, intuitions. Hence, there is a natural tendency for theory in individualist political economy to seem monolithic and coherent—although it may also tend toward the technically tedious and uninteresting, with baroque and rococo encrustations.

Of course, many political scientists think the individualist focus of the economic approach is morally corrosive or descriptively wrong. The latter criticisms are of many kinds. Some argue that people are not like the supposed homo economicus of rational choice theory, that people act not from interests but from response to symbols or from moral commitments. Some argue that social outcomes are explained not by individual motives for action at all but by large social structures or general systems.

NORMATIVE FALLACIES

The most conspicuous failing in the fallacy of composition at the base of much of social theory is that it contributes to incorrect explanations and understandings of government and politics. It also, as shown in Aristotle’s opening paragraph, contributes to bad normative claims. In part this follows simply from the fact that normative rightness depends on what is possible—as philosophers say, “ought” implies “can.” For example, because I cannot possibly rescue someone from drowning in Bangladesh in the next hour, it is false to say that I ought to do so. Bad explanations that mislead us about what is possible can distort our understanding of what is right. Almost the whole of modern political theory is misled in this way. Much of this theory argues from what we want government to be to determine what it ought to be. What we require are devices for composing individual into collective or institutional choices that match our normative expectations and demands.

Consider demands we can place on citizens’ knowledge of politics. Downs argues that citizens cannot be motivated to know very much about politics because having such knowledge will make little difference to them politically. For example, as a resident of a large city in a large state in the massive United States, I cannot expect to influence electoral outcomes with my own votes. But then I cannot have great interest in knowing much about the candidates before me. If I do not know much, I may not know how to vote my interests. I can generally expect to gain more from using my time and energy in other pursuits than in following and participating in politics.

One might say it is nevertheless morally incumbent on me to learn about politics and to participate because my doing so contributes to a good outcome that benefits others as well as myself. Even if it is rational or self-interested for me to be ignorant and to participate very little, it may still be wrong. Or is it? Without becoming a full-time politician, I cannot expect to have significant effect on politics no matter how much I strive to learn about it. And, if I learn about politics from reading and participating, I necessarily have to do less of something else. Would I have a better impact on the world or be better off or be a better person for that change in my behavior? Plausibly not. Moreover, I would not want most others to spend too much time learning about politics, because I depend on how well they do other
things, all of which would suffer if knowing politics took much of their time. Therefore, it may be neither irrational nor immoral for me—and most other people as well—to be relatively ignorant about politics. This is a moral analog of Downs’s critical vision of rationality in politics.

What, then, will I know about politics? I will tend to learn things to the extent that coming to know them is itself rewarding—for example, by being entertaining. But this means that journalists may find that their success in gaining readers depends more on making political news entertaining than on making it informative. They may focus too much on sexual indiscretions and not enough on gross incompetence, too much on third-rate catchphrases that degrade the language and corrode debate rather than on ideas of governance or policy.

Critics may chastise both the electorate and the press for trivializing the issues. But then the critics are speaking past the rationality of all concerned. An Eric Sevareid might admonish us for not harking to the central issues. But he was not morally in a stronger position—unlike most of us, he was paid specifically to take an interest in the central issues of politics. Most of us are not paid to attend to public interests. We do so, inasmuch as we do, on our own time. And the competition for that bit of time may be stiff, too stiff for anyone to say we morally should have put more of it into learning about a politics over which we can have little influence. We surely must prefer not to pay very many Eric Sevareids to be professionally concerned with our political life, to egg us on to better political behavior. There are other, sometimes better things to do with our money. Analogously, it is not in our interest to invest more directly in political knowledge.

It follows from this view that sometimes it might be wrong to be politically ignorant or to fail to participate. If my government is doing grievous harm to someone, such as Third World peasants in a war zone or an impoverished racial minority in a ghetto, I may be virtually unable to fail to notice. But that means I cannot be rationally ignorant. Hence, if I were to participate, I might reasonably think I could participate intelligently. Moreover, my participation now would be on behalf of a large group, not on my own behalf, and I might readily suppose the costs of my participation would be outweighed by the potential benefits of my participation to the relevant group.

Still, much of the time, my coming to know enough to participate intelligently and my participating might fail to be either rationally or morally required. Admonitions at the level of the polity that we ought to participate for our own collective well-being are a cavalier fallacy of composition. The form of that fallacy is often a blending of the conceptual fallacy identified by Arrow and the motivational fallacy identified by Downs and Olson. It is twice fallacious. At this late date, it is also increasingly contemptible.

A full judgment of rational choice theory must turn on comparisons with alternative approaches. The most natural alternative with which to compare it is one that uses much of the same vocabulary and addresses many of the same problems. There are two main branches of modern political economy. One of these, rational choice theory, is, again, essentially an economic version of methodological individualism put to the task of explaining social outcomes, virtually any and all outcomes. Its progenitors include Hobbes, Hume, Smith, and many nineteenth-century economists. The other branch of contemporary political economy is structuralist. It focuses on such social structures as institutions, classes, and movements without trying to unpack them in individualist terms. Its most important progenitor is probably Karl Marx, who wrote in part in reaction to the individualist branch of political economy, and its most important philosopher is probably G. W. F. Hegel.

The common element that gives both these theories claim to the title “political economy” is their focus on interests. The individualist theory is usually, although not strictly always, based on individual self-interest. Structuralist theory is commonly based on claims of aggregate interests, especially the interests of a class. One might immediately dismiss the latter as a likely fallacy of composition. But it need not be if the members of a class share general characteristics that give each of the members of the class more or less the same interest in some collective achievement or provision. For example, the class of workers may have an interest in higher wages if the increase in wages comes merely from reducing the gains of capitalists.

It is only for want of more perspicacious labels that I will refer to individualist and structuralist variants of political economy. Structuralists are less readily identifiable than rational choice theorists or systems theorists, and their views are seemingly more varied. It is ironic that the individualist approach is now commonly thought of as the economic approach to behavior. This view prevails only because the combination of the use of methodological individualism and the assumption of self-interest have been so fruitful that one branch of political economy has spawned the Anglo-Saxon discipline of economics. It is historically wrong to say that economic methods have simply been imported into social theorizing and explanation: economic methods are the product of social theorizing. It is true, however, that individualist political economy has enjoyed a remarkable renaissance under the stimulus of many contributions from economists in the past half-century.

Much of political theory, both normative and positive, has been driven by the social-political phenomena of interest. For example, contemporary structuralist theory is driven by concern with the phenomena of revolution,
class conflict, and state formation. Individualist political economy is much more driven by theory, almost by theory on the prow for whatever problems it can take on. Theory in the field seems to be almost self-generating. That it is individualist has given it the advantage of being able to draw on and accommodate itself to individualist value theory as articulated in utilitarianism and economics. (This is a source of criticism for the theory, but it might soon be seen as one of the theory's great strengths.)

In trying to compare alternative theories as practiced now, one may be struck by how little they actually speak to each other even when they focus on explaining apparently the same phenomenon. It is not merely that different schools do not take each other on—they do a little of that. The greater problem is that they formulate their analyses so differently that they often address quite different aspects of the phenomenon at issue. For example, rational choice and systems theory do not speak to each other virtually as a matter of theoretical principle. Structuralist theorists have been much more ready to attack rational choice theory for what they suppose are its descriptively wrong assumptions.

Among those who think rational choice descriptively wrong is Theda Skocpol. She rejects rational choice and even individual motivational explanations of revolutions because, she claims, "no successful revolution has ever been 'made' by a mass-mobilizing, avowedly revolutionary movement." But it is merely a fallacy of composition to suppose that the outcome of group choices must represent the intentions of the group. It sounds trivial to say it, but we can explain what a group does from the motivations and actions of the individuals who make up the group without supposing that the group has the motivations of any of the individuals—indeed, without supposing that the group has "motivations" in the same way that its individual members have. Yet, as trivial and obvious as this truism is, it is often disregarded in social theory.

Ironically, Skocpol's complaint is similar to that which Adam Ferguson and Friedrich Hayek made against, respectively, social contract visions of organizing society and the Abbé de Sismondi's vision of the deliberate redesign of French society. We cannot design society, Ferguson and Hayek insisted, because too much of it is the product of unintended consequences. But they attempted to understand the development of social institutions by building it up from individual actions that make rational sense on the individual level, and they would surely have attempted to understand a revolutionary change in the same way. Like Skocpol, they were hostile to arguments from social design, but unlike her they were committed to arguments from individual intention.

Theory becomes compelling only if it accounts for phenomena and if it stands up against other theories. To show that a theory is defective, one must show that it is internally inconsistent or put up an alternative theory that handles its problems better. Among the greatest successes of rational choice theory have been its demonstrations of the fallacies of composition inherent in many theories and explanations. Structuralists and systems theorists do not challenge the internal consistency of rational choice theory. Rather they challenge its assumptions and its applicability. Unfortunately, however, it appears that structuralists, systems theorists, and rational choice theorists typically focus on different problems. With the exception of revolution and elections, which interest both structuralists and rational choice theorists, there is remarkably little overlap in work from these diverse perspectives. Hence, we have few genuine comparative tests among them. Even when the same apparent phenomenon is addressed by two of these theories, each is likely to have a very different focus.

The structuralist Arrington Moore asserts that his effort to understand revolution will address only certain, nameable, major revolutions. The theory is not intended to address other revolutions nor class or group actions more generally. The theorizing seems grossly ad hoc even if often brilliant. It is hard to extract from it general principles or arguments that can be applied to more numerous and plausibly analogous phenomena—there are no analogous phenomena. Such work is a bit like having a theory of Richard Nixon or Joseph Stalin rather than a theory of political leadership or paranoid personality. At another extreme is a style of theorizing that Moore eschews, the style that both Max Weber and Talcott Parsons fell into in their later years. That style is arid and definitional, seldom if ever touching ground in real phenomena. It too readily allows for triviality, looseness, and vacuity—the mind can shift into idle and still churn out sentences without the disciplining constraint of attention to reality. Both Weber and Parsons may have owed their styles to the peculiar tradition of especially German legal theory that is almost entirely definitional.

Between the entirely ahistorical kind of theorizing Moore eschews and the kind he prefers, which reduces to history, there is theory that touches ground frequently and at different points on the map rather than a rared event times. Rational choice theory, which is quite general, and some specialized theories (e.g., much of contemporary feminist theory and some traditional legal theory) fall between Weber's somewhat wasteland of definition in Economy and Society and Moore's nearly unique historical cases. A scholar new to the field can apply these theories or the principles that constitute them to cases or classes of cases and expect to achieve valid results.

WHITHER RATIONAL CHOICE THEORY?

The analytical core of rational choice theory is its individualist focus on incentives and strategic interactions. Among its compelling implications
are insightful accounts of unintended consequences and the exposure of fallacies of composition, both definitionally and causally. It also provides for a remarkably fertile combination of normative and explanatory concerns. Indeed, in recent decades, rational choice theory has contributed to a renaissance of normative political philosophy.

Why is the understanding of politics apparently such a fruitful field for the application of economic reasoning? The individualist focus of economic reasoning seems especially relevant to the understanding of liberal and democratic politics and of the politics of those with plural ties and commitments. Enough of these commitments can be characterized in welfarist terms, and explicitly in own welfare, to bring them under the rational choice rubric. Rational choice is therefore, perhaps rightly, called bourgeois political theory. It is often asserted that it is less relevant for the politics of close traditional communities. However, James Scott gives us an account of a peasant society that seems to fit the economic approach even as he argues against that approach. Most of us may be less various than Scott. But we may be just as ambivalent about the reach of either school of political economy.

Return for a final moment to the explanation of revolution in individualist and structuralist political economy. Although they may not be resolutely consistent in holding that view, such structuralists as Marx and Skocpol seem to have individuals acting not from will or intent but from structural necessity. Marx supposed class consciousness would develop from individuals' understanding of their common interests. Such understanding was more likely to happen in the factory setting than on scattered subsistence farms. Perhaps achievement of this understanding is one of the structural conditions necessary for revolution. But such a claim fineses the supposition that action follows not from intention but from structural necessity. It is intentional understanding that makes the action plausible. If a working class with class consciousness attempts to seize control of government, its members face all of the usual incentives and—mostly—disincentives for collective action. Class consciousness does not overcome this problem.

Still, structuralist theorists are obviously right in their insistence that structural conditions matter. Such conditions matter for an individualist rational choice account in that they affect costs and benefits of particular actions and they affect the knowledge and understanding of relevant actors. A theorist might not be able to give a rational choice account of all the individual actions that go into a successful collective action. But the theorist might be able to judge accurately when conditions for such an action are more or less prohibitive merely from an account of variations in costs. The rich historical knowledge of a good structuralist account is complementary to the usual analysis of rational choice. Part of what is sometimes counted as structure in such accounts is the pattern of knowledge or motivation of particular people or a class of people.

One might conclude that systems, structuralist, and individualist political theory should somehow be brought together. For the moment, what may be most productive is not merger of the different perspectives but, rather, further development of these and various other theories or perspectives on their own. The great value of a particular, well-developed approach is that it heightens attention to certain aspects of the phenomenon under study. Structuralists may be better prepared to find certain results and rational choice theorists to find others. Rational choice theorists must all agree that real competition in theory should have good effects. Perhaps the same conclusion follows from structuralist, systems, and other perspectives.

It is sometimes argued that modernity in political thought begins with Machiavelli's focus on individual interests. But Socrates earlier focused on individual interests, albeit with the claim that the individual's true interest is to be just. He argued against the Sophists, who seemed to hold that the individual's true interest is to be self-serving, as Machiavelli supposed. The fundamental turn, however, is with Hobbes and his recognition of the need to avoid the fallacy of composition that arises from the focus on individuals. Hobbes's program was about how to found a government on individuals, and in that program he rigorously avoided arguments by analogy from the individual to the societal level. This was a very difficult understanding, especially in an era when there was not yet a standard vocabulary for dealing with it. It is perhaps therefore not surprising that Hobbes's recognition and articulation of the problem are not always grasped by later thinkers.

What might be in the near future for rational choice theory? Much of the theory is not so much nonfalsifiable as it is beyond the capacity of available measures. The equations are pristine and exact, but the apparent data are mushy and vague. Perhaps what is called for is better measurement. But perhaps the more appropriate move is to craft theories that start from the mushy and the vague, theories that accommodate ordinary humans (including rational choice theorists in those moments when they are humans rather than merely theorists).

The best future of rational choice is likely to follow its best past. That has been in two general areas, conceptual and explanatory. First, Arrow's theorem and many other results probe the meanings of our social choice terminology and help to clarify what we can fruitfully talk about. Though further clarification is likely to come, there may not often again, if ever, be so dramatic a result as Arrow's own. The second general area is in explaining various aggregate-level phenomena. Clearly, the best explanations have been those that restricted the value theory and gave it relatively specific substantive content, usually in the form of own welfare. Work that starts from a value theory to give explanatory results likely will continue to be the most successful, satisfying, and productive. Work that assumes an open-ended value theory likely will continue to produce unsatisfying, open-
ended results. A large part of what will be compelling in testing rational choice results, therefore, will be tests of specific individual-level value assumptions.28

Suppose we agree that the rational choice approach has demolished important but long-entrenched and mistaken views of politics. Still, one may suppose, it faces a much harder and ultimately more interesting task: the construction of accounts of aggregate behavior. Yet at this point, Neil Smelser argues, rational choice theory is in decline. Smelser's general thesis is that, in response to critics, rational choice theorists tend to adjust their theory in ways that make it tautological and nonfalsifiable.29 There may be such tendencies, as there probably are in all theories. Worse, a drift toward arid tautology and nonfalsifiable claims may occur independently of any effort to fit the facts, as in many of the theorems that extend Arrow's impossibility theorem or the depiction of the theoretical possibilities of voting patterns.

Against Smelser's general claim that the theory is in decline, there are countertendencies that suggest the theory is increasingly ascendant, that it is applied to more and more diverse actual problems. Indeed, currently the most richly successful endeavor in rational choice theory has been law and economics.30 Other legal theorists must think they are awash in rational choice accounts of everything legal. They may disagree with such accounts, but they often feel they have to take them on, because the economic model is clearly the model to follow or to beat. Rational choice and game theory have also become central to reasoning in normative political philosophy, especially in democratic theory but even in moral theory more broadly.31 And they have spawned a large and novel literature on norms.32 Again, other moral and political philosophers increasingly feel bound to take on the rational choice arguments. More generally, throughout rational choice, theorists work backwards from standard assumptions to pose foundational issues in the theory, issues that often come from the effort to make common sense of choices and values (as in the current quest to understand the extent of the endogeneity of preferences and the way endogeneity works in a rational choice account).

It is common to suppose that established theories are succeeded by new theories and fade from consideration. In the social sciences, this may well happen eventually, but in any given era radically different schools of theory may coexist, sometimes in application to quite different phenomena, sometimes with overlapping and hence competing applications. In our era, the most pervasive and most protean school of social theory is rational choice theory, which is applied to virtually everything that involves human choice and even to biological developments. In some of its conceptual clarifications and some of its empirical results, it is so forceful that it sets the terms for debate with other schools of thought. It has made some traditional ways of talking about social action and order untenable. Systems theory is thought by its proponents to offer a grand unification of theory across radically different disciplines. Rational choice theory is less grand, but it is far more profligate with results and with explanatory arguments.

NOTES
1. This is the felicitous phrase of Thomas C. Schelling, Micromotives and Mac

THEORY ON THE PROWL 217


28. See further Hardin, "The Normative Core of Rational Choice."