

Self-Made

Jean-Paul Fitoussi

Willful: How We Choose What We Do

by Richard Robb

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HOW DO WE CHOOSE? None of us knows. What is known precisely is not complete, and what is known completely is not precise. Richard Robb's research lies on the boundary between economics and philosophy; it is a ragged boundary and so a tough discipline. In thinking about choice, Robb commits to a thesis that is both economic and philosophical: people choose by calculating what is optimal *or* by acts that escape calculation. In looking to optimization, Robb is in good company. Kenneth Arrow, Gérard Debreu, Paul Samuelson, Amartya Sen, and Herbert Simon have all employed and criticized the canonical answer: consumers maximize their utility under budgetary constraints; entrepreneurs, their profits under technological constraints.

Arrow argued that making a rational choice through calculation is more than complex—it is often impossible. When trying to determine the outcome of an action, the real challenge is not so much factoring in one's own rationality, but that of others. No computer can solve an optimization problem on these terms. If we do not have any idea about the consequences, how then do we make choices?¹

George Akerlof proposed adding an objective to the optimization problem: people do not simply want to economize or maximize their profits, they “want to be ‘rich and famous’—the *and-famous* part of the expression not being redundant.”² The desire to be famous sometimes leads people to make irrational choices. Clearly, another approach is needed.³

Simon, in turn, proposed that humans exhibit *bounded rationality*: an agent looks merely for a satisfactory solution because he does not have the cognitive means to achieve optimization. This form of rationality allows greater freedom to act since the agent does not have to seek an unattainable optimum. In this sense, bounded rationality is an accommodation between the theory of rational choice and that of free action.

Robb wishes to maintain some distance from the theory of rational choice. As both a scientist and an engineer, he

is, by nature, a pragmatist. This leaves him no room for dogmatism. Why, he asks, throw out an instrument such as rational choice theory when it could still be utilized, and when there is no comparable replacement available? And this all the more so when its shortcomings are known: rational choice theory presents a mechanical vision of the world, reducing every life to a mere choice.

Robb acknowledges a larger class of actions within economics that seem stubbornly retrograde to rational decision theory. “Early on in graduate school,” he writes,

my classmates and I stumbled on behavioral economics, which was then emerging as an alternative to rational choice orthodoxy. Cognitive biases were documented in all sorts of lab experiments. In one famous experiment, subjects were indifferent between receiving \$10 immediately and receiving \$21 in one year. They were also indifferent between paying \$10 immediately and paying \$15 in one year. Since a rational person ought to be willing to trade small amounts of cash now for cash in one year at a single discount rate, whether paying or receiving, this discrepancy was interpreted as evidence of “gain-loss asymmetry”—meaning that people need more compensation to delay gains than they are willing to pay to delay losses.⁴

However curious or compelling the examples of behavioral economics, in the end, Robb is persuaded, they can be mostly folded within the ambit of optimization:

Behavioral economics assumes that people understand their preferences, but that defects in their mental apparatus impair decision-making. At least one hundred and fifty behavioral biases have been identified, mostly through laboratory experiments, from the “ambiguity effect” (ruling out options when we can't assign probabilities to possible outcomes) to the “zero-risk bias” (spending unwarranted amounts to reduce small risks to zero while ignoring bigger ones). Presumably, once people are made aware of their biases, they will try to correct them, choose more wisely, and become better off. Until then, the field seeks to build more accurate models of behavior.⁵

In this respect, irrational behavior is no more a violation of decision theoretic principles than a perturbed planetary orbit is a violation of Newtonian mechanics.

There yet remain actions that are well defined but neither rational nor frankly irrational. Some actions, Robb argues, are undertaken for their own sake “without regard to whether [they are] better than some alternative.”⁶ No calculations are involved. Actions of this kind “cannot be ranked against, or traded for, other actions.”⁷ They are neither rational nor irrational. An act of this sort, Robb writes, is undertaken *for-itself*. These actions make sense, Robb argues, “only if we accept that an activity can matter beyond its ostensible purpose.”⁸

Each for-itself action ... is undertaken “just because.” It can be a flow or a process, a self-justifying game, or a struggle to overcome a challenge that is not important in any objective way.⁹

It is this human dimension that Robb invites us to consider, and he takes pains to insist that his appreciation involves no rejection of decision theory. Rational choice theory and for-itself decision-making are two approaches that coexist, and neither can eclipse the other.

It is for-itself decision-making that Fyodor Dostoevsky referred to, Robb believes, when he wrote that “man, whoever he might be, has always and everywhere liked to act as he wants, and not at all as reason and profit dictates; and one can want even against one’s own profit.”¹⁰ But this establishes only what Dostoevsky is everywhere at pains to acknowledge: that human beings can seize upon perverse desires seemingly at random. They are willful. But none of this means that they are acting beyond the control of some expected utility function. Given *their* preferences and the probabilities *they* assign to events, who is to say they are acting irrationally? Not the decision theorist.

Robb argues that certain choices cannot be attributed to preferences. To take two simple examples, a teacher might look to improve his course, even if his amphitheater is already overcrowded, and a student might seek higher marks in her graduation exams, even if she already has a job. Embracing a challenge, which is not necessarily the best action to take, belongs to the realm of for-itself decision-making. Economic theory reduces work to a mere disutility, when it is often at least partly a game. This aspect of work, which exploits the human drive to overcome challenges, can affect the economic system as a whole, resulting in increased innovation and productivity. This has been pointed out repeatedly by Ned Phelps, who happens to be a close friend of Robb.¹¹

The choice to indulge in procrastination might seem irrational, but it can also be an action for-itself. Besides *homo economicus*, there is *homo ludens*, man at play. Procrastination makes the game more exciting by introducing

an element of danger, at the expense of increased anxiety among those who succumb to the temptation.

According to Robb, rational choice does not fully explain the impetus for altruistic gestures, such as helping a poor person when there might be many others with more urgent needs. For-itself action is the motivation. This also helps to explain the reflex to put ourselves in danger to save a person we love, a decision made without any other form of reflection.

Although Robb may appear to be suggesting that humans behave irrationally, this is not the case. Rather, they act based on their beliefs. “For-itself behavior,” he writes,

includes acting confidently based on beliefs we hold and that matter to us (whether or not those beliefs are accurate) because that’s who we are. Our beliefs constitute our identity and so are not up for sale.¹²

No one can give up all of his beliefs. What is at issue is just how and when anyone might or should change any one of them. Not in a great hurry, Robb observes. “When the facts change,” he confesses, “I usually don’t change my opinions unless I’m backed into a corner, and then I’ll change them by as little as possible.”¹³ Behavioral economics tries to explain this behavior by invoking overconfidence bias—a deviation from rationality. But even if I’m thinking clearly, I may still choose to remain who I am rather than “gratify the desires of the new person I might become.”¹⁴

Willful is a philosophical essay in economics. It is Robb’s belief that humans exercise their will and have the freedom to make choices outside of predetermined constraints. As part of the discussion, he introduces existentialism into economics. In doing so, he might be minded to adopt Jean-Paul Sartre’s line, “For at bottom, what is alarming in the doctrine that I am about to try to explain to you is—is it not?—that it confronts man with a possibility of choice.”¹⁵

The existentialism of Sartre or Martin Heidegger is atheistic. In the absence of God, there is, at least, one being in whom existence precedes essence. “[M]an first of all exists,” Sartre writes, “encounters himself, surges up in the world—and defines himself afterwards.”¹⁶ The foundations of existentialism can be approached in simple terms. When a craftsman produces an object—a paperknife, to use Sartre’s example—he does so according to a well-defined concept and model. And he knows what this object will be used for. “Let us say, then,” Sartre continues, “of the paperknife that its essence—that is to say the sum of the formulae and the qualities which made its production and its definition possible—precedes its existence.” Absent the great architect, with man it is the other way around.

Not that he is simply what he conceives himself to be, but he is what he wills, and as he conceives himself after already existing—as he wills to be after that leap towards

existence. Man is nothing else but that which he makes of himself.¹⁷

Actions for themselves are those where man is free, those that allow him to define himself.

The convergence with Robb's thought is striking. Indeed, *Willful* is a remarkable achievement. Despite starting from apparently a very distant premise, namely, rational choice theory, Robb has nonetheless managed to articulate an economic translation of existentialism. At the same time, his contribution is concrete; it allows us to include in choice theory elements of everyday life that had largely eluded economists. Actions for their own sake

are neither rational nor irrational, but rather one-time acts of will that no one, not even the individual who undertakes them, can predict. Each of these actions stands for itself—so that's how I began to refer to this entire realm of human activity.¹⁸

Translated and adapted from the French by the editors.

Jean-Paul Fitoussi is Professor Emeritus at the Institut d'études politiques de Paris, and Professor at Luiss Guido Carli University.



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3. Akerlof, "[Theory of Social Custom](#)."
4. Richard Robb, *Willful: How We Choose What We Do* (New Haven: Yale University Press, 2019), 10.
5. Robb, *Willful*, 24.
6. Robb, *Willful*, 19.
7. Robb, *Willful*, 6.
8. Robb, *Willful*, 30–31.
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10. Fyodor Dostoevsky, *Notes from Underground*, trans. Richard Pevear and Larissa Volokhonsky, quoted in Robb, *Willful*, 18.
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16. Sartre, "Existentialism Is a Humanism," 349.
17. Sartre, "Existentialism Is a Humanism," 349.
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