BOOK REVIEW

Christina Bicchieri, *The Grammar of Society, The Nature and Dynamics of Social Norms*, Cambridge University Press, Cambridge, 2006, 260 p. GBP 14.99 (USD 24.99) (ISBN 0 521 574900 PB) GBP 40.00 (USD 70.00) (ISBN 0 521 573726 HB)

In this timely and accessible book, Christina Bicchieri tries to capture the essential features of social norms. This is a laudable initiative because social scientists in different disciplines often apply different definitions. In light of this Babel-like confusion, it is ironical that Bicchieri compares the function of social norms within society to the role of grammar in a language.

Analogous to linguistic rules, Bicchieri defines social norms as behavioral rules, which exist if a sufficiently large subset of individuals in a population knows that in specific situations the behavioral rule exists and who conform to this rule whenever they believe that

- (a) a sufficiently large number of others conforms to the rule and;
- (b) a sufficiently large number of others expects them to conform to the rule, and may sanction behavior.

This definition enables a distinction between social norms like not smoking in public areas on the one hand, and descriptive norms like traffic rules on the other; for descriptive norms, condition (a) applies, but (b) needs not to be fulfilled. The dividing line is small: whether dress-down Friday is a descriptive or a social norm critically depends on whether not adhering to the dress code implies a punishment.

Several aspects of the definition deserve explanation. First, what constitutes a “sufficient number of others” may vary from person to person; Bicchieri suggests that individuals may for example put a lot of weight on the behavior of celebrities. Although not further pursued, this idea is related to the emerging literature on the role of “hubs” in social networks.

Chapter 2 provides an in depth discussion of a second aspect of the definition: the role of expectations in the determination of behavior. Faced with new situations we look for situational *cues* that subsequently activate a *script* describing a stereotyped sequence of actions and social roles, including the beliefs and preferences that support relevant norms in this new context. Social norms are thus imbedded in scripts but Bicchieri stays silent on the origin of the scripts themselves.

In chapters 3 and 4, Bicchieri claims that her norm-based utility function explains some results from Ultimatum and Dictator experiments better than

social preference models – notably the Fehr-Schmidt model – that provide agents with a preference for fairness. In search for evidence that contextual factors prime social norms, these chapters give a nice overview of the results of social dilemma experiments executed by both economists and (social) psychologists. One study shows that subjects are less likely to litter when they observe other subjects either complying with the non-littering norm *or* – on the contrary – when they observe them littering. Bicchieri argues that this is because both actions make the non-littering norm salient. Other pieces of evidence are less convincing. According to Bicchieri, changes in norm perception cause a decrease in rejection rates in Ultimatum experiments where the proposer has alternatives less favorable to the responder. I however believe that the Fehr-Schmidt model with context-dependent tastes for fairness might explain this observation as well.

Chapter 4 discusses why communication between subjects dramatically increases cooperation in Prisoner's Dilemma experiments. Does communication enhance group identity or does communication elicit social norms? Bicchieri prefers the social norm explanation and argues that group identity is instrumental in focusing people on group norms, such as in-group loyalty and trust. The evidence provided is however somewhat arbitrary; she cites a study in which discussion between subjects increases perceived group identity without raising cooperation rates but neglects other studies that do show a positive interaction between group identity and cooperation.

Chapters 5 and 6 consider the question how social norms emerge. Building on well-known work by Bikhchandani, Hirshleifer and Welch on informational cascades, Bicchieri shows in chapter 5 how norms can emerge in a population of trendsetters and norm-sensitive conformists. Chapter 6 provides an illustration in the form of a simulation study. In the presented model, agents believe that a norm exists but have no idea what the norm is. The model's purpose is to show how a norm of fair division can arise endogenously. In all, I do not find the set-up convincing because agents' estimates of the social norm seem to be biased towards a norm of fair division (e.g. if they expect to social norm to be x or y , both with probability $1/2$, their expectation is simply determined as $(x + y)/2$). Moreover, because the sensitivity to the perceived social norm is part of the utility function, in the end the model is not about the emergence of norms but about the emergence of a norm of fair division, conditional on agents being sensitive to social norms.

As Bicchieri readily admits, what still needs to explained is how norm-based preferences emerge. This is an interesting topic for a next book, which could also discuss the representation of social norms in memory in connection to the nascent field of neuroeconomics.

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