While behavioral economics continues to open old questions in development to new scrutiny, I am still having a lot of problems with the very unreflexive approach BE takes toward its own work (see earlier takes on this here and here). Take, for example, Esther Duflo’s recent lectures discussing mistakes the poor make. To discuss the mistakes the poor make, we must first understand what the goals of the poor are. However, I simply don’t see the behavioral economists doing this. There is still a lurking, underlying presumption that in making livelihoods decisions people are trying to maximize income and or the material quality of their lives. This, however, is fundamentally incorrect. In Delivering Development and a number of related publications (for example, here, here, and here) I have laid out how, in the context of livelihoods, material considerations are always bound up in social considerations. If you only evaluate these actions as aimed at material goals, you’ve only got a part of the picture – and not the most important part, in most cases. Instead, what you are left with are a bunch of decisions and outcomes that appear illogical, that can be cast as mistakes. Only most of the time, they are not mistakes – they are conscious choices.

Let me offer an example from Delivering Development and some of my other work – the constraint of women’s farming by their husbands. I have really compelling qualitative evidence from two villages in Ghana’s Central Region that demonstrates that men are constraining their wives’ farm production to the detriment of the overall household income. The chart below shows a plot of the size of a given farm versus its market orientation for the households operating under what I call a “diversified” strategy – where the husband farms for market sale, and the wife for subsistence (a pretty common model in sub-Saharan Africa). As you move up the Y axis, the farm gets more oriented toward market sale (1 on that scale is “eat everything”, 3 is sell and eat equally, and 5 is sell everything). Unsurprisingly, since men’s role requires them to produce for market, the size of their farm has little impact on their orientation. But look at the women’s farms – just a tenth of a hectare produces a marked shift in orientation from subsistence to market production…because women own that surplus beyond subsistence, and sell it. They take the proceeds of these sales, buy small goods, and engage in petty trading, eventually multiplying that small surplus into significant gains in income, nearly equaling their husbands. What is not to like?
Well, from the perspective of those in these villages, here is something: among the Akan, being a “good man” means being in control of the household and out-earning your wife. If you don’t, your fitness as a man gets called into question, which can cost you access to land. For wives, this is bad because they get their land through their husbands. So as a result, being in a household where the woman out-earns her husband is not a viable livelihoods outcome (as far as members of these households are concerned). Even if a man wanted to let his wife earn more money, he would do so at peril of his access to land. So he is not going to do that. What he is going to do is shrink his wife’s farm the next season to ensure she does not out-earn him (and I have three years of data where this is exactly what happens to wives who earn too much). There is a “mistake” here – some of these men underestimated their wives’ production, which is pretty easy to do under rain-fed agriculture in a changing climate. That they are this accurate with regard to land allocation is rather remarkable, really. But the decision to constrain women’s production is not a mistake, per se: it is a choice.

We can agree or disagree with the premises of these choices, and their outcomes, but labeling them as mistakes creates a false sense of simplicity in addressing problematic outcomes – because people only require “correction” to get to the outcomes we all want and need. This, in turn, rests on/reproduces a sense of superiority on the part of the researcher – because s/he knows what is best (see a previous post on this point here). That attitude, applied to the case above, would not result in a productive project design aimed at addressing income or other challenges in these villages.

Yes, people do things against material interest…but there is always a logic behind a decision, and that logic is often deeply entrenched. We would be better off talking about decisions poor people make (for better or worse), and dedicating our time to understanding why they make these decisions before we start deciding who is mistaken, and what to do about it.

I’ve just burned 15,000 words in Third World Quarterly laying out my argument for how to think about livelihoods as more than material outcomes – and how to make that vision implementable, at least via fieldwork that runs in length from days to months. I am happy to send a copy of the preprint to anyone who is interested –and I will post a version to my website shortly.