Problem Set #6

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Question 3. Common Sense and Sociological Explanations

The rational choice theory was heavily criticized when first introduced in the 1960s. The main criticism was that they relied on "implausible or empirically invalid assumptions about the preferences, knowledge, and computational capabilities of the actors in question". (Watts, 2014, pp. 9) Another critique said that rational choice theory tended to make predictions too strong or too sharp that are contradictory with empirical evidence. [pp. 9] As a response to the criticism, however, most of the strong assumptions, such as utility maximization, exogenous preferences, and forward-looking agents, have been generalized or ralaxed over years of development. The new generation of theorists have also abandoned the ambition to set a quantitative rule for the world, but rather pivoted towards something more analytical. (Watts, 2014, pp. 10)

The main pitfall in using commonsense theories of action is the unexamined conflation of understandability and causality. Because sociologists inevitably go through mental simulation when searching for a causal explanation, commonsense becomes a fundamental part of their analytical toolkit. However, understandability does not guarantee causality, and vice versa. A reason that seems plausible is an "ex post" explanation, but the pursuit of causal relationship is an "ex ante" quest. The gap between ex post and ex ante explanations are constituted of what the author call the "frame problem", the "indeterminacy problem", and the "outcome problem".(Watts, 2014, pp. 16) Generally speaking, commonsense provides a fast and intuitive to the observed incident, but it also bypasses a lot of details and assumptions. In everyday life, these details are too minor or can be timely corrected by feedbacks. However, when sociologists try to apply the explanation to a larger, more generalized context, the commonsense version of story might fail.

Having realized the shortage of empathetic reasoning, the author proposes several solutions for sociologists to "confront the difference between empathetic and causal explanation", and to "produce more scientifically rigorous" explanations.(Watts, 2014, pp. 23) Specifically, the author proposes that sociologists rely more on experimental methods, and on statistical models of causal inference. He also suggests evaluating explanations with regard to the properly defined notion of prediction, that is, "in the broad sense of out-of-sample testing, allowing both for probabilistic predictions and for predictions about stylized facts or patterns of outcomes"(Watts, 2014, pp. 28).

Although this paper is dedicated to clarifying the relationship between commonsense and causality in sociology, a few words must be said in defense of the pure theoretical work in social sciences. As is often quoted by a statistician, "all models are wrong, but some are useful" (George Box). In its essence, a model is a simplification and idealization of the complicated reality. We cannot capture all the minute details, therefore some assumptions have to be made. Some of them are innocuous,

while some are absurd. The difference is whether they have got to the crux of the problem. The assumptions, if properly laid, can provide a clear insight into the causal mechanism. For example, although many scholars complain about the assumption of rationalization in rational choice model, it does help to explain a lot of phenomenon. Another example is the assumption of risk aversion. Although the specific form of utility function seems unrealistic, the establishment of a risk averse agent is very useful in explaining why people need insurance. What's more, a model is always growing. By relaxing different assumptions and adding new ones to a model, we can refine the theory and make it more predictive. The elasticity of pure theory allows us to explore the causal mechanism more freely.

References

Watts, Duncan J, "Common sense and sociological explanations," *American Journal of Sociology*, 2014, *120* (2), 313–351.