

BEHAVIORAL ECONOMICS

Case Study Afghan Tribal Society

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ABSTRACT:

This research paper explores the potential application of behavioral economics in understanding decision-making in Afghan tribal society, particularly among the Pashtun tribes. Behavioral economics suggests that identity and cultural factors play a significant role in decision-making, especially in uncertain environments. The paper draws on Pashtun ethnography and behavioral economics to analyze the decision-making process in conflict societies. The study employs qualitative and quantitative research methods, reviewing various sources, including books, articles, and websites, and the author's experience as a former government official and current Ambassador of Afghanistan to the Czech Republic. The paper highlights the importance of understanding the cultural and historical context of the Pashtun tribes in developing effective policies that align with their values and beliefs. The findings contribute to the development of a behavioral economics-based model of behavior that considers the significant social upheaval in Afghanistan over the past few decades.

INTRODUCTION

Behavioral Economics: Behavioral Economics, which has its roots in neoclassical economics, has emerged as a significant trend in recent decades. It recognizes that people sometimes behave irrationally and that traditional economic models cannot always explain their decisions. Behavioral economists have shown that human beings do not have the complete capacity to make rational decisions and that psychological factors often influence their behavior. By incorporating objective psychological evidence into economic analysis, behavioral economics improves the ability of economics to analyze and predict human behavior and suggests better policies in this field.

The Neoclassical approach to utility-based economics, which focuses on balance and efficiency, is being challenged by behavioral economics, which examines how various psychological factors affect economic behavior. While most behavioral economics studies focus on one or two assumptions in standard theory to arrive at psychological reality, they are significant in examining the reflection of these assumptions in people's economic behavior.

Behavioral economics has wide applications in various fields of economics and business studies, including consumption and savings behavior analysis, stock market selection and reaction behavior analysis, consumer behavior and market studies, public goods selection, and the study of justice and efficiency theories and income distribution.

This research paper explores how Behavioral Economics can assist the Afghan community by addressing fundamental questions related to winning the cooperation of a population in the insurgency, such as why some people choose to join the Taliban and why the government and coalition cannot predict the impact of their actions on the population's decisions. It also examines how a small group can overthrow a legitimate government backed by the international community.

Brief History: The history of modern Afghanistan has been marked by political and commercial struggles over the last few decades. Civil war and ongoing conflicts devastated the country in the last quarter of the twentieth century, with the Soviet Union's military invasion and occupation (1979-1989) exacerbating the situation. Subsequent armed conflicts pitted a surviving

Afghan communist regime against Islamic insurgents and a strict movement, culminating in the Taliban regime's control of the country from 1996 to 2001, which was overthrown in December 2001.

Despite the challenges and conflict, the republican system achieved tangible progress and development in the country. However, on August 15, 2021, the Government of the Islamic Republic of Afghanistan collapsed, leaving rough approximations of the current population estimates. Pashtuns comprise over 50 percent of the population, Tajiks around 20 percent, Hazaras around 8 percent, Uzbeks around 7 percent, and the rest comprise small portions of the population, including Turkman, Aimak, and other ethnic groups. Pashtuns, the largest ethnic group in Afghanistan, have played a crucial role throughout the country's history.

Pashtun Tribes: The concept of tribe is intimately related to the study of Afghanistan. Tracing how it has been deployed in the Afghan context provides valuable insights into Pashtun tribes. As Winston Churchill aptly observed, Pashtun tribes are constantly engaged in private or public war, with every man being a warrior, a politician, and a theologian, and every large house serving as a real feudal fortress.

“The Pathan tribes are constantly engaged in private or public war. Every man is a warrior, a politician, and a theologian. Every large house is a real feudal fortress... Every family cultivates its vendetta; every clan, its feud.... Nothing is ever forgotten and very few debts are left unpaid.

Winston Churchill (My Early Life – Chapter 11: The Mahmud Valley)”

Pashtuns are a large ethnic group living in South and Central Asia, primarily in Afghanistan and Pakistan's Khyber Pakhtunkhwa and Baluchistan regions.

Although Afghan is sometimes used as an alternative for Pashtuns, it refers to all ethnic groups living in Afghanistan, as per Article 4 of the Afghan constitution. Pashtuns have a unique culture, with most being Sunni Muslims, and their social life is based on ethnicity and Pashtunwali. Pashtunwali is a code of conduct or a collection of customs, habits, and traditions that hold significant importance for the Pashtun people. As a distinct nation, Pashtuns have developed their customs and traditions, which Pashtunwali captures.

Pashtunwali (Pashtun code): Pashtunwali is not only a unique cultural code of conduct for the Pashtun tribes but also a globally recognized tradition that emphasizes important values such as revenge, hospitality, respect for family and women, Nanawati, Jirga (a tribal council), Pride, Nang, Sharam, and Namos.

Jirga: The Jirga (Tribal Council) is a significant part of Pashtun's tribal society, and it has played a crucial role in resolving social, ethnic, national, political, cultural, economic, and even religious conflicts, disputes, and violence for a long time. I explored how the Jirga relates to behavioral economics in this research paper.

Typically, Jirga comprises the elders of both sides of a dispute and mediators who make decisions that both sides respectfully accept. Throughout history, there have been two types of Jirgas: Sabha, which deals with local issues, and Samiti, which is the Loya Jirga (Grand Council) which deals with important national issues, including decisions regarding the country's fate.

Jirga has a significant historical and social value, and the word Loya Jirga has been added to the country's constitution due to its importance and quality. In addition, the constitution includes provisions for elections and people's opinions, such as the Lower House of Parliament, also called Wolesi Jirga, and the Upper House of Parliament, called Da Mashrano Jirga. These institutions are considered complements of the Jirga system.

BEHAVIORAL ECONOMICS AND THE AFGHAN SOCIETY

Understanding Pashtun Decision-Making: The Pashtuns, an ethnic group residing in the region for over a thousand years, have a unique decision-making model based on a combination of their Social Man and Economic Man utility functions. In rural Pashtun society, personal relationships are of primary importance to maintaining security and well-being in the absence of a monetized economy.

Group Identification and Conformity: Pashtunwali, or the Pashtun code, is a normative philosophy that reinforces group identity and conformity among the Pashtuns. This fusion code of common law and ideology provides a set of social boundaries, maintaining group integrity and providing a means of group administration through reputation and personal honor called Nang.

Core Values: Among Pashtun's core tenets are hospitality, self-respect, justice, independence, forgiveness, and tolerance. These values create a system of core values at the personal level, such as freedom, honor, chivalry, and revenge. Pashtunwali theoretically applies to all Pashtuns, providing a means to maintain law and order that creates a structure by which kinship networks could legitimately mobilize to the right a perceived wrong, usually through revenge called Badal.

Pashtunwali is a group norm consistent with the framework of normative behavior. It applies equally to authority figures and group members alike, and its ability to defend the fundamental core values of Pashtunwali is indicative of the Pashtun social standing. These unique social interventions in the Social Man model of Pashtun decision-making need to be more readily recognized from a Western, monetized, and capitalist economic perspective.

Behavioral Economics and its Relation to the Pashtun Society: This research aims to explore the relationship between behavioral economics and the Pashtun society. The findings of modern behavioral economics highlight the significance of social factors in the decision-making process and the impact of cultural contexts on the people who have suffered over the last four decades. Security plays a crucial role in decision outcomes among the population, and any information strategies must take this into account to be effective.

Applying behavioral economic theory can provide valuable insights into security issues in Afghanistan and help identify generalizations and patterns that can be used to create successful security strategies in an insurgent environment. Research in behavioral economics has shown that human subjects respond differently to the information they receive and use to make economic decisions. These responses can include biases, framing, and contextual interpretation of the information, which can lead to different decision outcomes.

The Jirga: A Principle of Democracy in Afghan Tribal Society: The Jirga is a centuries-old principle of democracy that Pashtun tribes and other Afghans have widely accepted. It is a historical symbol of resolving daily problems and is considered a legal and judicial source, occasionally serving as an executive branch. The Jirga is critical for improving human life, as it gathers people to solve issues in a specific, orderly framework. The decisions made during a Jirga are not recorded in a book or document office but are conveyed orally and verbally. However, they are necessary and respected by all parties.

Jirga's decisions have been so valid that, at times, Sharia court judges have been unable to resolve disputes and would advise plaintiffs to sit down with the Samiti Jirga and make a decision. These decisions based on public interactions were more just and acceptable to the people and recorded in official decision books.

The Jirga tradition is so vital that international jurists consider each nation's laws, culture, traditions, and customs. In November 2013, before signing a security agreement between the United States and Afghanistan, the former Afghan President convened a Loya Jirga, a grand assembly of thousands of tribal elders, to discuss key issues.

Recently, as part of the Afghanistan peace process, the Afghan President called for another Loya Jirga to decide on releasing 5,000 Taliban prisoners. Some politicians argued against their release until a traditional Loya Jirga was held. The Jirga made the decision to release the prisoners, paving the way for intra-Afghan peace talks.

RESEARCH HYPOTHESIS

The research hypothesis for this study is that social factors play a significant role in decision-making processes in Afghan tribal society, particularly in the context of the ongoing conflict and peace process. The hypothesis posits that cultural and historical contexts, such as the dominance and infighting of Pashtun tribes, have influenced decision-making and led to a lack of stability and unity in the country.

Additionally, the hypothesis suggests that previous research on social interventions in decision-making has primarily focused on Western subjects. More comparative economic research is needed to understand how social interventions impact decision-making in nonurbanized and nonmonetized populations.

Finally, the hypothesis asserts that a deeper understanding of human decision-making in different environments, particularly within the realm of meaning, is necessary for effective policymaking and conflict resolution in Afghanistan.

CONCLUSION REMARKS

In conclusion, this research highlights the importance of understanding how social factors influence decision-making in populations like Pashtun. The study of behavioral economics provides a framework for understanding the behavior of the Pashtun, which is consistent with the growing field of behavioral economics. The social interventions within the Pashtun culture and social institutions have evolved over the centuries, resulting in group dynamics that exhibit characteristics similar to those identified in behavioral economics.

Furthermore, the author argues that the complex and tragic issue of the Afghanistan-long conflict was not a military failure but rather a political failure. This failure is due to a combination of factors, including intelligence failures, corruption, cultural differences, and a lack of political willpower. Considering these factors when addressing conflicts in similar contexts is essential to avoid similar outcomes.

Overall, this research highlights the need to continue exploring the influence of social factors on decision-making in different cultural contexts to understand better and address complex issues like conflict and peacebuilding.

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