

Online Appendix for
“Equilibrium Fictions: A Cognitive Approach to Societal Rigidity”
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The Social Construction of Race: Historical Construction and Theoretical Settings

In the text of the paper, we provide several historical examples of the “social construction of race” to motivate the idea that ideology is a state variable in our cognitive approach to societal rigidity and change. In this appendix, we supplement the examples provided in the text with one further example and set our analysis within the context of other related theoretical work.

The following is a description of South Africa.

In the late nineteenth and early twentieth centuries, English-speaking and Afrikaner sub-groups *within* this category [of Europeans] referred to one another as being from different “race” groups....[A] violent war and longstanding conflict between English-speakers and Afrikaners was ultimately settled through a decision to exclude people of color from full citizenship, which helped to forge a common white or European identity. Without any significant change in demographics, this political settlement led to the shifting of the use of the label “race” to “ethnicity” (Evan S. Lieberman 2008).

Conceptually, the interesting feature of this event is its demonstration of the malleability of racial ideology, even though “race” is often meant to identify groups whose differences are represented to be innate and immutable.¹

¹ The popular notion of race, on which we focus here, is distinct from an objective notion. “From a scientific standpoint, race can be no more than a statistical description of the characteristics of a given population—a description, moreover, that remains valid only as long as the members of that population do not marry outside the group” (Barbara Fields, 1982, p. 149).

I. Contrasts between our Approach and Previous Studies in Economics

Our approach to ideology contrasts with the two existing approaches in the economics literature. The first strand of the literature focuses on the *strategic* construction of beliefs. For example, Roland Bénabou and Jean Tirole (2002) and Bénabou (2008a, 2008b) model individuals as trading off the motivational or hedonic benefits of suppressing certain kinds of information, against the costs that that entails. Roland Fryer and Matthew O. Jackson (2008) develop a model in which individuals optimally choose the categories in which they will sort their experiences.

In the second approach, ideologies—for instance, beliefs that certain groups are responsible for past and future crimes and should be hated—are the result of an equilibrium where politicians supply stories and consumers listen to them because the stories fill some psychological need (e.g., scapegoating) or appear to provide useful information, while the costs of being hateful in terms of foregone social and economic interactions are not too high (Edward L. Glaeser 2004 and 2005).

We view these approaches as capturing important elements of the truth but neglecting the role played by *socially* constructed cognitive frames (see Mary Douglas 1986, Paul DiMaggio 1997, and Douglass C. North 2005). Cognitive frames are not chosen, or at least not freely so. In our paper we argue that there are category systems (e.g., that individuals are black or white) that are social constructions—outcomes of historical processes that are constraints on all individuals in a society. This ideological context may be logically *prior* to the kinds of individual choices and adaptations that have been the focus of economists' models. Before an

individual can decide which group to hate, or which groups to count for purposes of categorization, he needs a frame that tells him what the groups are. As Fields (p. 146) argues,

“It is ideological context that tells people which details to notice, which to ignore, and which to take for granted in translating the world around them into ideas about the world. It does not bother Americans of the late-twentieth century that the term ‘black’ can refer to physically white people, because an ideological context of which they are generally unaware has long since taught them which details to consider significant in classifying people. And the rules vary. Everyone knows, or at least every black person knows, that there are individuals who would be unhesitatingly classified as black in Louisiana or South Carolina and just as unhesitatingly “mistaken” for white in Nebraska or Idaho...”

The examples of the construction of racial ideologies illustrate the three elements in the general theory of the dynamics of changes in beliefs in Section III of our paper. (1) The first is individual belief systems, S_{it} , for each individual, indexed by i . This includes the kinds of motivated beliefs that are modeled by Bénabou and Tirole and by Glaeser, since some individuals stand to gain from adopting particular beliefs. (2) The second is an überideology, \ddot{U} , that affects individuals’ judgments about the adequacy of their ideology. (3) Letting T_t be the “economic regime” (technology and wealth distribution) and V_t a vector of other variables, e.g., encounters with other civilizations and their belief systems, the third element is a process, $S_{t+1} = \hat{\Phi}(S_{1,t}, S_{2,t}, S_{3,t}, \dots, S_{i,t}, \dots, \ddot{U}_t, T_t, V_t)$, that aggregates the belief systems of individuals at time t into a social construct at time $t+1$. This aggregate provides the ideological context that shapes social constructions that, in subsequent periods, will shape individuals’ own perceptions. $\hat{\Phi}$ may entail coercion, elite bargaining, institution-building, rituals, symbols, and the suppression of information. It can be viewed as the dominant framework that most people take for granted and that reigns as common sense.

II. Four Examples of the Construction of Ideologies

A. The Construction of Racial Ideology to Justify Slavery in North America

Skin color was not initially an organizing principle in the colonies that became the United States. There were multiple categories of coerced labor, and freedom and slavery were not yet associated with persons of white and black skin. In the seventeenth century,

“a substantial number of Virginia’s Negroes were free or became free. And all of them, whether servant, slave, or free, enjoyed most of the same rights and duties as other Virginians. There is no evidence during the period before 1660 that they were subjected to a more severe discipline than other servants. They could sue and be sued in court. They did penance in the parish church for having illegitimate children. They earned money of their own, bought and sold and raised cattle of their own. Sometimes they bought their own freedom....As Negroes took their place in the community, they learned English ways, including even the truculence toward authority that has always been associated with the rights of Englishmen. Tony Longo, a free Negro of Northampton, when served a warrant to appear as a witness in court, responded with a scatological opinion of warrants, called the man who served it an idle rascal, and told him to go about his business” (Edmund S. Morgan, 1972, p. 18).

This case illustrates that in mid-seventeenth century Virginia, it was possible for a black to have no sense that his color was consequential or meaningful.

Racist beliefs about blacks emerged as the governing elite in the colonies reacted to new problems and perceived new opportunities. In 1676, in Bacon’s Rebellion, Virginia’s poor (including many former indentured servants) turned against the elite –the class of men who owned the land and ran the government. Similar rebellions occurred in other colonies. In response to the threat from the landless, governments abridged the liberties of servants and lengthened their terms of indenture. A second development in the late seventeenth century was that Virginia’s heavy mortality rate fell. Between 1625 and 1660, Virginia was a death trap, with a death rate “comparable only to that found in Europe during the peak years of a plague” (Morgan, p. 19). Once the death rate fell, as it did before the end of that century,

“an investment in slave labor was much more profitable than an investment in free labor; and the planters bought slaves as rapidly as traders made them available...Slaves probably already constituted a majority or nearly a majority of the labor force by 1700.” “As the number of slaves increased, the [Virginian] assembly passed laws that carried forward with much greater severity the trend already under way in the colony’s labor laws. *But the new severity was reserved for people without white skin.* The laws specifically exonerated the master who accidentally beat his slave to death, but they placed new limitations on his punishment of ‘Christian white servants’” (Morgan pp. 25, 26, emphasis added).

An important advantage of slave labor was that slaves had no rising expectations (Morgan, p. 26), whereas “[i]n the colonies, it proved impossible to mold white immigrants into a permanent laboring class without attempting the hazardous proceeding of subjecting people who thought of themselves as free to virtual slavery.” “[E]vidence strongly suggests that Africans and other non-Europeans were initially enslaved not so much because of their color and physical type as because of their legal and cultural vulnerability (George M. Fredrickson, 1981, pp. 68,70). African slave labor provided an opportunity for repression that imported labor from England did not:

“[they] could be kept unarmed and unorganized. They could be subjected to savage punishments by their owners without fear of legal reprisals. And since their color disclosed their probable status, the rest of society could keep close watch on them. It is scarcely surprising that no slave insurrection in American history approached Bacon’s Rebellion in its extent or in its success” (Morgan, p. 27).

Penal codes support this assessment. In 1712 South Carolina passed laws that became the “model for slave codes in the South” until the end of slavery; they forbade schooling, travelling without supervision, church attendance, land ownership, and marriage across the color line (Lesley H. Fishel, Jr. and Benjamin Quarles, 1976, p. 21). A person teaching a slave to read and write in any of several southern states could be punished by death (see John W. Blassingame, ed. 1979, p. 61)

As Fields argues, the view that Africans constituted a race, rather than a group of ethnicities or a group of religions, must have arisen at a specific historical moment. David Brion Davis (1975, especially pp. 299-306) locates this moment in the Age of Revolution, when large numbers of people were beginning to question the legitimacy of slavery and oppression. Out of this process, the social project of creating two fictions emerged. The first was the innate inequality of human beings with black and white skin. The second was the natural discontinuity between the categories, “black” and “white” (see Drew Gilpin Faust 1981). Many states ultimately went the way of the Virginia statute: As revised in 1924, it classified as white only a person ““who has no trace whatsoever of blood other than Caucasian”” (cited in Hollinger 2003, p. 1369). In these ways, a binary racial system emerged as a social construction.

There remains the question of the characterization of the subordinate race. Pierre L. van den Berghe (1978) distinguishes two cases of race relations: (i) a paternalistic system (master-servant model) and (ii) a competitive system associated with industrial and urban societies. In the second type of race relations, segregation occurs and race plays a role in the division of labor. He argues that as part of the process of change from (i) to (ii), the dominant group’s image of the lower caste changes from “one of backward but ingratiating grownup children to ...dishonest, underhanded competitors for scarce resources...[V]irulent hatred replaces condescending benevolence” (p. 30). It was perhaps not inevitable that after the Civil War race relations of type (i) change to type (ii) rather than to something else. Jane Dailey (2000) describes periods in the 1870s and ‘80s in which biracial parties existed and blacks exercised equal political rights with whites. But these periods ended by 1900, and white southerners repressed the history of biracial parties:

“in real political terms an idea dies, in this case the idea of black political participation and rights...Clearly, limiting subsequent generations’ worldview by encouraging them to

‘forget’ alternatives is a subtler form of political repression than shooting one’s political opponents. But it is not a trivial form of repression...it is worth thinking about the word ‘repression’ in its psychological, as well as political, sense, for to repress successfully is to forget what one is repressing” (Jennifer Ritterhouse, 2006, pp. 9-10).

Jim Crow was an institution that, in effect, forced (or led) even those who might have been reluctant to think or act in a discriminatory way to do so.

B. The British Imperial Narrative in India

We next use the account in Nicholas B. Dirks (2006) of the nine-year trial of Warren Hastings to consider the emergence of a race theory for Indians during the period when the East India Company consolidated its control over broad parts of India. The East India Company in the eighteenth century was supposed to have been a trading company with an eastern monopoly vested by Parliament. However, it “had become a rogue state: waging war [almost constantly]...and collecting revenue over Indian territory” that produced massive private fortunes for the traders (p. 13). The activities of the company’s employees contributed to famine conditions in Bengal and “successive crises around the fundamentals of English politics, culture, and society” (p. 9). The private trade was based on the misuse and abuse of grants, treaties, agreements and understandings between the Company and rulers in India. In his opening speech at the trial, in 1788, Edmund Burke declared, “I impeach [Hastings] in the name of the English constitution, which he has violated and broken, —I impeach him in the name of Indian Millions whom he has sacrificed to injustice—I impeach him in the name, and by the best rights of human nature, which he has stabbed in the heart” (p. 105). Burke protested against Hastings’ “geographical morality”: “We think it necessary in justification of ourselves to declare that the laws of morality are the same everywhere” (p. 107).

But over the nine years of the trial, the idea that British law applied to British agents in India was salvaged not by finding Hastings guilty (he was acquitted) but instead by inventing a new interpretation of India: “the well-known scandals of the East India company...became either forgotten or subsumed with the imperial narrative of an exhausted land that virtually invited the British to conquer it...[T]he social political cultural and economic buoyancy of India in the eighteenth century was not just forgotten but suppressed” (p. *xii*). “Built on fabrication, colonial history imputed barbarism to justify, and even ennoble, imperial ambition” (p. 5). “[S]candal itself became institutionalized [;] it was displaced onto a civilizational map [entailing a broadly] shared condemnation of the Indian present” (p. 24); “[it] became normalized in the assumptions and categories of modernity itself” (p. 29). The British now controlled not only broad swathes of India, *but also Indian history*. “Built on fabrication, colonial history mirrors the general distortions and displacements of imperial self-representation—the use of imputed barbarism [of Indians] to justify, and even ennoble, imperial ambition” (p. 5). Burke’s rhetoric in the trial exposed the strains of empire-building in the post-Reformation West while contributing to “new vocabularies of legitimation and political right to overcome the scruples Burke so eloquently raised when dominion abroad had to be justified” (p. 206). After the trial, there emerged the “justificatory logic that the good despotism provided was much better than the bad despotism Indians had known before conquest” (p. 207). The trial ended with “the repression of all ambivalence around the colonial guilt that gave rise to the trial in the first place” (p. 355, n. 56; see also p. 350, n. 61). What emerged was a “race theory that cast Britons and Indians in a relationship of absolute difference” (Dirks, 2001, p. 133).

C. The Emergence of a Racial Idiom for Native Americans

Historians have described a common pattern of racialism in sites of European colonization after the Protestant Reformation. The preceding examples illustrated how this pattern took shape to justify the extraction of labor and land rents. A similar historical pattern emerged to justify the wholesale expropriation of land. We discuss the examples of Native Americans and Australian Aborigines.

Joyce E. Chaplin (1997, p. 231) finds that “belief in the dominance of the white body was not a given but a labored creation of racial ideology.” In the mid-seventeenth century, it was still common to argue that “Nature knows no difference between Europe and Americans in blood, birth, bodies, &c.” (Las Casas [1656] 1972, cited by Chaplin, p. 245, fn. 37). However, by the eighteenth century, the cartographer Bernard Romans argued that it was ““by no means reasonable”” to designate the Indians as Americans (Chaplin, p. 230). By that time, the prevailing English view was that the Indians were a physically inferior race that was “ill-adapted to *any* region” (p. 248, emphasis added). The English

“used that explanation to usurp the very habitat of Americas’ pre-Columbian natives..... English discourses of nature and the human body were fundamental to their imperial project. The proof was in the body.” “These beliefs [of Indians’ physical inferiority] were not universal, nor did they fail to elicit disagreement...But a good measure of the persuasiveness of the argument for English physical superiority was the fact that *it appeared even in the writings of colonists who were sympathetic to Indians* and who otherwise argued for native hardiness” (pp. 232-233, 250, emphasis added).

D. The “Expulsion” of Aborigines from the Human Race

Aborigines were classified as British subjects. “The early governors [in the eighteenth century] wanted to see them converted to Christianity and farming so that they could be absorbed, socially if not genetically, into the lower class of the colony—an idea loathed and

resisted by every white [in Australia], no matter what his class.” (Robert Hughes, 1987, p. 275). The conflict over land rights between settlers and Aborigines resulted in violence in which settlers shot Aborigines indiscriminately. In 1805, the King’s judge-advocate ruled that because “Aborigines had no grasp of such basics of English law as evidence, guilt, or oaths, they could neither be prosecuted nor sworn as witnesses...And so the best course would be to ‘pursue and inflict such punishment as they may merit’ without the formalities of a trial.” The restrictions on Aboriginal testimony in court meant that evidence from a white witness had to be acquired to prosecute the killing of an Aborigine. Such policies made clear to settlers the inequalities of settlement, and ushered in a new wave of dispossessions and violence. One cattle proprietor remarked that “there was no more harm in shooting a native than in shooting a dog” (Hughes, p. 277). Over time, “Force and punitive expeditions became an *institutionalized* way of dealing with the Aborigines” (A. P. Elkin, 1938, p. 364, emphasis added).

For a convention to become legitimate, it needs to have some justification beyond mere convenience. “The settlers...asserted that they [the Aborigines] could not be civilized.” (Elkin 364). The notion of “pollution” arose as well. A Chief Justice who later became a Governor-General warned against the “contaminations and the degrading influence of inferior races” (Sol Encel, 1971, p. 32). One historian characterizes the efforts to justify the policies towards the Aborigines as leading to the expulsion of the “Aborigines from the human race and ... the development of a *Herrenvolk* democracy in Australia” (H. O. McQueen, 1971, p. 115). The ideology regarded “Aborigines as inferior, unintelligent, lazy, irresponsible grown-up children, acceptable and even lovable, as long as they were ‘kept in their place’” (M. C. Hartwig 1972, p. 14). Colin M. Tatz (1972, p. 97-109) describes over thirty statutes enacted in Australia that ascribe certain characteristics to Aborigines, including the inability to manage their own affairs

and property, unworthiness for inclusion in industrial awards, inability in relation to certain rules of evidence in courts, and the inability to govern their communities.

The racial ideologies described here emerged in response to the dilemma in the post-Reformation period of treating humans merely as ends to someone else's purposes. David Hume [1998 (1751), p. 88] was representative of writers in the Age of Revolution in arguing that oppression both called for a justification and narrowed the basis on which such a justification might rest to one based on the slaves' or the natives' innate inferiority. What happened next was that the "presumed incapacity for freedom... crystallized into a racial one with all its subsequent pseudobiological trappings" (Fields, p. 162). As Montesquieu wryly quipped, "It is impossible for us to suppose that these beings [slaves] should be men; because if we suppose them to be men, one would begin to believe that we ourselves were not Christians" (cited in Davis, p 302). The greater acceptance of ideas about "equality" resulted—at least in the short run—in the development of ideas that provided the basis of racial suppression.

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