



Book Review

Francesco Guala: *Understanding Institutions: The Science and Philosophy of Living Together*. Princeton, NJ: Princeton University Press, 2016.

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Social ontology is a meeting ground for travellers of various disciplines from all directions. The perspectives are as diverse as modelling social phenomena in game theory, explaining cooperation using theoretical biology, drawing on metaphysics to clarify the nature of groups, or criticizing political theory with accounts of gender and power.

Francesco Guala achieves similar breadth in his book. *Understanding Institutions* illustrates how institutions emerge, how they maintain their existence, how their names acquire meaning, how their nature can be investigated, and how they change and cease to exist. Guala introduces the reader to coordination games, to Ian Hacking's account of social kinds, and to different views of social construction. To non-specialists, the book is attractive because Guala writes so accessibly, inviting his readers to join him on an inspiring journey through some of the major issues in the field. To specialists, Guala instructively outlines a coherent overall view on the nature of our social world and how this world can be explored. The book is a reminder of the deep relations between seemingly disparate issues.

Understanding Institutions has two parts. In the first part entitled "Unification," Guala presents his account of institutions as rules-in-equilibrium that he has developed together with Frank Hindriks. In the second part entitled "Application," Guala explores the implications of this account on the methods of social science, on the demarcation between the social and natural science, and on the changing meaning of an institution in the example of "marriage." Wedged between these two parts is an "Interlude" of two chapters dealing with theories of mindreading and collective intentions.

Guala pursues three main questions in this book. First, what are institutions? His answer to this first question is the rules-in-equilibrium approach to which I turn shortly. The second is how can social scientists investigate institutions? Guala defends a kind of naturalism, as I will also explain. Third, how can institutions change? Here Guala argues that institutions appear to change because we never conclusively know what institutions are in the first place. These three questions build on one another, so combining them in a book makes good sense.

How we should investigate institutions depends on what they are, and how institutions change depends on how they can be investigated.

On the first question, Guala aims to unify two accounts of institutions: the institutions-as-rules account and the institutions-as-equilibrium account. When we analyse institutions as rules we can fairly easily account for their content. Marriage, money, and morality just are sets of rules that we follow when we are married, when we use money, or when we are moral. Because rules have content, the institutions-as-rules have content as well. But why should we obey these rules? Why do institutions persist? The answer is incentives. According to the institutions-as-equilibrium account, institutions are analysed as solutions to coordination problems arising from strategic interactions. Each of us does best, given what we expect others to do. Guala brings these two views together. The unified institutions-as-rules-in-equilibrium account takes the rule component from the former account and the incentive component from the latter account. According to the unified account, we use rules to coordinate on an equilibrium. So, institutions are both. They are rules but they are also equilibria.

Guala aims this unified account against the theory of John Searle. Guala argues against Searle on several fronts. First, Guala puts his account of institutions forward as an alternative to Searle's account of institutions. Moreover, Guala uses the chapter entitled "Money" to discuss how, contrary to what Searle suggests, economists have in fact devised views on the ontology of money. Finally, in a chapter entitled "Constitution," Guala argues that Searle's constitutive rules can be reduced to regulative rules. Unfortunately, these chapters appear largely independent of the unifying institutions-as-rules-in-equilibrium account and the main project of the book. Their inclusion is perhaps best explained by their function in the deployment against Searle.

Nevertheless, a virtue of Guala's book is how well its parts are integrated with one another. One of the most fascinating and inspiring contributions of the book is Guala's discussion of how the ontology of institutions relates to the methodology of the social sciences. Our philosophical understanding of institutions restricts how we can study them. Ontology shapes science.

This brings us to the second question: How can institutions be investigated? Searle and many others hold a *representation-first* view of institutions.¹ An institution exists in virtue of the idea that individuals have of said institution. The institution is constituted by the individuals' representations of it, or grounded in their collective acceptance, intention, or recognition. This is a form of non-causal dependence of the institution on individuals' mental states.

¹ h/t to Philip Pettit.

Guala argues that if institutions non-causally depend on individuals' mental states, then anyone who partakes in an institution must know its nature. Individuals would be infallible about the content of their institutions. This has implications for social science methods. Infallibilism seems to support interpretationism. That is, if the representation-first accounts of institutions are correct, then we can learn best about institutions by trying to understand how those who partake in these institutions think about it.

Guala instead holds a *function-first view* of institutions.² Institutions solve coordination problems. We can understand institutions by understanding their function. Institutions depend only causally on individuals' intentions. This is suggested by the fact that competent language-users can be mistaken about the meaning of institutional terms. So, when investigating institutions, Guala argues that we should rely on social sciences and not on first-hand accounts of those who partake in them. In this sense Guala is a naturalist.

Finally, the third question: How can institutions change? This question has two answers, an easy one and a hard one. The easy answer is that institutions change when expectations change. This naturally follows from the idea that institutions are equilibria in strategic interactions. This easy answer, along with the simple model provided by the late Tom Schelling, have a certain beauty. Yet the easy answer is often too easy. Consider the example of marriage. The institution of marriage changes when people change expectations about what marriage is. But how should we deal with disagreements about marriage's nature? Some people contend that marriage can only be between a man and a woman.

True to his naturalism, Guala argues that disagreements about the nature of marriage are for scientists to resolve. What marriage really is (for) "must be adjudicated by scientific experts who are able to assess the claim [that marriage is heterosexual] in light of the best theories and empirical data that are currently available." However, our evidence is limited. Just as all theories are under-determined by evidence, argues Guala, theories about what marriage is also will be under-determined by the anthropological evidence. Although scientists are in principle the right people to ask about the nature of marriage, they often cannot give a conclusive answer.

This is the point in Guala's argument where it occurred to me that something must have gone awry. Disagreements about marriage concern deep moral and political questions. What is at stake with the questions of what we call "marriage" and what being in such a partnership legally entails? Nothing less than the respect we pay to individuals and the extent to which they can pursue their life plans and their idea of the good. But I find it hard to see how Guala's flavour of functionalism and realism about institutions leaves much room for any normative

2 A third option would be a *history-first view*. These terms are mine, not Guala's.

contestation. Moreover, the idea that the nature of marriage can be settled entirely empirically seems lopsided. We also have some good *a priori* data on our concepts available from the armchair.

This indicates a fundamental problem with Guala's account. The account seems driven by a particular view about mental content and conceptual analysis. Taking Putnam's semantic externalism on board, Guala draws an analogy to "water." Guala argues that just as a chemist can tell us what water is, an anthropologist can tell us what marriage is. But this neglects the *a priori* part of conceptual analysis. There are many things everyone knows about water, namely that it normally presents in liquid form. Likewise, there might be many things everyone knows about marriage. How this *a priori* knowledge relates to the nature of concepts is a central question about philosophy's methodology. Unfortunately, in Guala's book this question did not receive the attention that I think it deserves.

To make matters worse, several issues that Guala discusses in the book might be bedevilled by such superficiality. In numbers: Guala's book has 14 Chapters spread out over 222 pages. The topics range from – these are chapter titles – "Reflexivity," "Meaning," and "Mindreading" to "Normativity," "Dependence," and "Realism." Roughly 15 pages for each seem just inadequate to seriously do justice to these topics.

Likewise, I occasionally found it hard to make out exactly how Guala's argument proceeds. For example, he seems to employ three different definitions of "realism" about institutions. Guala understands "realism" varyingly as projectibility, that is, supporting inductive inferences and generalizations (p. 134), as a kind of mind-independence (p. 151), or a certain process of reference-fixing (p. 190). (Guala notably omits a different definition of "realism." I would have expected a definition parallel to moral realism, that is, in terms of the truth of statements in a discourse.)

The strength of Guala's book is its breadth, not its depth. Perhaps Guala made the right decision opting for breadth. The breadth makes the book accessible, inspiring, and invites the reader to go into greater depth oneself.