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## THE PARADOX OF PRIVATIZATION IN CONSUMPTION

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### I. INTRODUCTION

Most everyday goods can be more or less private in consumption. For example, a family may share one bathroom or may enjoy the luxury of one bathroom per person in which case the good has been completely privatized. Even such "personal" goods as haircuts may be shared in the sense that family members take turns getting a haircut rather than having their hair cut whenever they individually decide to do so. Thus, even haircuts may be privatized in consumption. There is a definite trend towards increasing privatization in consumption with increasing income. The paradox I would like to discuss in this paper can be summarized as follows: by increasing privacy in consumption, people seemingly also destroy something they cannot replace by their own efforts: certain forms of social approval. They seemingly act in such a way that they increase their own deprivation with regard to these forms of social approval.

The way the paper is structured, it will take a while until the paradoxical effect itself can be discussed. First, I will describe in some detail what I mean by deprivation. After that, I will present what I consider to be the three major forms of social approval. Then, I will deal with the conditions that produce important forms of social approval and the reason these conditions decline with increasing disposable income. Finally, the paradoxical effects of privatization in consumption will be discussed. Some of the arguments presented in this paper can also be found in Lindenberg (1984).

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## II. DEPRIVATION

If one works within the framework of a rational choice theory, terms like 'deprivation' must be used with considerable care. Deprivation implies that a person has objectively or subjectively too little of a particular good. In both cases one leaves the strict boundaries of rational choice theory. Within these boundaries, people would always like to have more than they have got but what they chose reflects their relative evaluation of goods. If somebody never goes to the theater and we say that this person is deprived (=has too little) of culture, we either imply that this person does not know what is good for her or we assume that the person does not choose her own activities. In both cases we are in trouble from the point of view of a rational choice theory.

In the following, I would like to discuss two ways in which deprivation can occur, given rational choice. First, imagine that I am given a certain amount of some good and that I cannot exchange it for something else. Then, relative to this amount, I might have too little of some other good. For example, if I am given a big house and I am not allowed to sell it, I might lack the means to furnish it. Second, imagine that the combination of goods that would maximize my utility does not exist. Then, any combination that I choose will give me too little of some good, compared to the combination that maximizes my utility. For example, traditional mores meant to render the amounts of access to legitimate sexual contact between men and women discontinuous. People were supposed to choose either very small amounts of access (say, a flirting relationship) or a large amount (marriage), but nothing in between. In the first case, somebody may have relatively too little access to sexual contact, in the second case, she may wish that she could reduce some of the access in exchange for other things.

Let us look at these two cases in some more detail. First the case of endowment. Let us take the utility function

$$U = f(z_1, z_2) \quad (1)$$

where  $z_1$  and  $z_2$  are the quantities of the two goods  $Z_1$  and  $Z_2$ . Following Gary Becker's lead (Becker, 1976:257), we will also use two simple kinds of linear production functions for  $Z_1$  and  $Z_2$ :

$$z_1 = x_1 + d_1 \quad (2)$$

$$z_2 = x_2 + d_2 \quad (3)$$

where  $x_i$  and  $d_i$  are the quantities of the goods  $X_i$  and  $D_i$ .  $Z_i$  can be produced by either  $X_i$  or  $D_i$  or both and returns to scale are constant. As a matter of fact, the only difference between  $X_i$  and  $D_i$  is that the individual acquires  $X_i$  through her own efforts (i.e. she has to buy it) while she is endowed with  $D_i$

and the endowments cannot be converted into money income. Thus, the money income restriction can only be defined for the  $X_i$  goods:

$$p_1 x_1 + p_2 x_2 = I \quad (4)$$

Since  $x_i = z_i - d_i$ , equation (4) can be rewritten as

$$p_1 z_1 + p_2 z_2 = I + p_1 d_1 + p_2 d_2 = Y. \quad (5)$$

The value of the endowments is based on the market price of the  $X_i$  and the total income  $Y$  is made up of money income and the value of the endowments. Strictly speaking, the individual is not endowed with any  $Z$  good but with goods that produce  $Z$ . For shorthand purposes, however, we will call  $D_i$  "endowment with  $Z_i$ " throughout this paper.

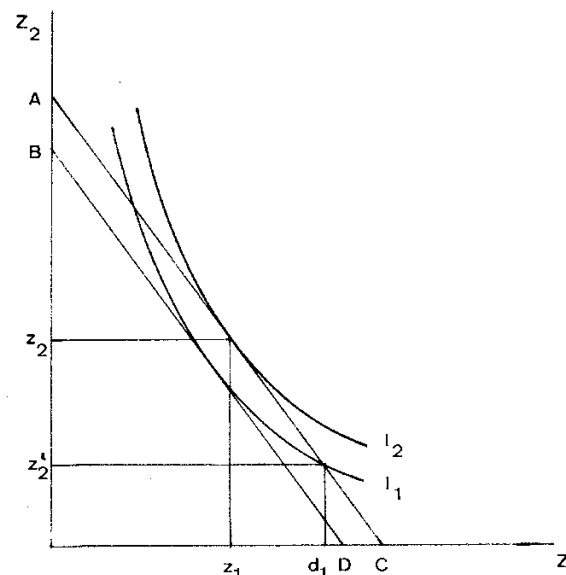


Figure 1

The crucial hypothesis is now that individuals do not ignore the  $D_i$  in their decision making, so that consumption is directly affected by endowments. Any increase in income increases the demand for all noninferior goods and the hypothesis says that endowments are part of the income. Thus, they too will increase the demand for  $Z_1$  and  $Z_2$ . But by definition, endowments cannot be sold and

thus it can happen that the demand induced by the total income  $Y$  cannot be satisfied by the money income  $I$ . Figure 1 illustrates this possibility. Based on the income restriction (5), AC, and the indifference curve  $I_2$ , the individual demands  $z_1$  and  $z_2$ . Yet it so happens that the endowment ( $d_1$ ) exceeds the demand for  $Z_1$ . She thus has to settle for  $d_1$  and  $z_2'$  with the effect that she is pushed to a lower indifference curve ( $I_1$ ) with a direct loss of utility (BD). This loss is subjectively linked to having too little of good  $Z_2$ , i.e. to being deprived of  $Z_2$ .

The second kind of deprivation can occur if the available alternatives are discontinuous. Take again Figure 1 and interpret  $z_1$  and  $z_2$  to be the equilibrium demand. If, however, the only combination available on the market is  $d_1, z_2'$  then the individual is subjectively again deprived with regard to  $Z_2$  and subject to utility loss. Discontinuous alternatives may occur for many different reasons, but one important source of discontinuity should be singled out: institutional restrictions. Laws and norms often create discontinuities in supply, as illustrated by the example above on access to sexual activity. Another example is the effect of housing laws that relate living space to a minimum number of occupants.

Deprivation as defined above can have important consequences. First of all, it influences the climate of social criticism in a group: criticism against institutional restrictions that prevent conversion of endowments into money income and criticism against restrictions that prevent continuous alternatives. Secondly, it opens an additional market for political entrepreneurs who promise to change the social structure in such a way that deprivation is reduced. Both of these aspects may be relevant for the study of social movements.

### III. SOCIAL APPROVAL

Consider two basic goods everybody would like to have: physical well-being ( $Z_1$ ) and social approval ( $Z_2$ ). Adam Smith fared well with the assumption that these two goods are all we have to consider and I will follow his example although I do not wish to maintain that there are no other basic goods possible. In this paper, I will mainly consider social approval.

A phenomenological study of the various forms of social approval would have to make fine distinctions, but for my purposes here, it is enough to work with rougher categories. I distinguish between three kinds of social approval: status, behavioral confirmation, and positive affect. Since all three are relational, I, for the purpose of discussion, will make use of two fictitious interaction partners, viz. Ego and Alter.

*Status* (in the following to be indicated by S) is social approval given on the

basis of the command over scarce goods such as privilege, money, extraordinary talent, power, influence, certain kinds of knowledge, luxury goods, etc. Status is thus social approval in the form of ranking.

*Behavioral confirmation* (in the following to be indicated by B) is the feeling to have done "the right thing" in the eyes of relevant others. When Alter's reaction can be easily and accurately predicted, Ego can experience behavioral confirmation even in Alter's absence. Under such circumstances, Ego can pat herself on the back for having done something "right", but without frequent confirmation by others, predicting their reactions will become difficult and thus anticipatory self praise will also become less likely.

*Positive affect* (in the following to be indicated by A) is what Ego gets if Alter cares about her. In terms of our production function, positive affect implies that indicators of Ego's utility have become goods which produce a certain amount of  $Z_1$  (physical well-being) in Alter.

#### A. The Production of Social Approval

By distinguishing S, B, and A, we have in effect changed the utility function (1) to

$$U = f(z_1, s, b, a) \quad (6)$$

where s, b, a are quantities of S, B, and A respectively. Since we will not go into any detailed analysis of  $Z_1$ , we will not refine the utility function any further. Following the logic of our analysis above, each utility argument is associated with a production function of the form  $Good_i = x_i + d_i$ .

##### 1. Status

Status can be produced by things Ego does or acquires. What these things are depends on the times and on the particular society. For the present-day Western societies, obvious examples are getting an education, working for and getting high political office, acquiring conspicuous consumption goods. At the same time, status may also be produced by things Ego has been given (without any additional effort or other costs on her part). What these things are depends again on the times and the particular society. Examples from the past are privileges given at birth and status-conferring titles. The production function for status (s) can thus be represented as

$$s = x_s + d_s \quad (7)$$

Open and closed societies would obviously have smaller and larger  $d_s/s$  ratios, respectively.

## 2. Behavioral Confirmation

Having one's expectations met is rewarding which, in turn, elicits a positive response. In other words, when Alter's behavioral expectation vis-a-vis Ego in a face-to-face situation is met, Alter will give off a verbal or nonverbal response indicating to Ego that she has done it right. If Ego is not convinced of the opposite, she will accept Alter's response as a behavioral confirmation. If Alter's response can be easily and accurately predicted by Ego, she can even reward herself with behavioral confirmation in anticipation of Alter's confirmation.

Expectations can be personal or shared. Stable expectations (regarding a certain kind of behavior in a certain kind of recurring situation) shared between at least two persons are called 'social norms' in sociology. Everybody is part of at least one social circle and in this circle there are at least some recurring situations subject to norms shared by the members of the circle. Over time, these norms will have produced more or less repetitive, norm-conform behavior which, in turn, keeps creating behavioral confirmation as a by-product. In this sense, everybody has a certain endowment with behavioral confirmation ( $d_b$ ).

Of course, Ego can also attempt to produce confirmation directly ( $x_b$ ) where norms permit laudable, extraordinary ways of conformity; or she can attempt to meet the personal expectations of certain relevant others; she can also join social circles with more norms and purposefully try to meet all expectations, maybe even in the hope of building up routinized, norm-conform behavior and thus endowment with confirmation. In short Ego can also invest in goods for the production of behavioral confirmation ( $x_b$ ). The production function for behavioral confirmation (b) can thus be represented as follows

$$b = x_b + d_b \quad (8)$$

Again, societies can differ considerably with regard to the ratio  $d_b/b$ . "Traditional" societies are often characterized as societies in which many daily recurring situations are governed by norms. These societies would thus exhibit high endowment with behavioral confirmation and probably a high  $d_b/b$  ratio.

## 3. Affect

While the exact psychological causes of positive affect (in the sense used here) are not yet well explored (cf. Rubin, 1973), it is known that three conditions will jointly produce positive affect in Alter towards Ego (and vice-versa): the more valuable Ego's transfers or externalities for Alter and vice-versa; the more Ego meets the behavioral expectations of Alter and vice-versa; and the more Ego and Alter interact informally on a continuous basis. For example, in many families, parents and children interact informally on a continuous basis. The parents do a lot for their children without any quid pro quo (i.e. with net

positive transfers) and the children's behavior (say, learning to talk, laughing, learning to walk, etc.) is often rewarding for the parents (i.e. positive externalities); the parents will meet many of the expectations of their children and the children are taught to fulfill the behavioral expectations of the parents (socialization). Given these conditions, parents and children are likely to care for each other, a feeling that grows out of the given social conditions and is thus a by-product of these conditions (endowment  $d_a$ ).

It is also possible purposefully to create the conditions that produce positive affect ( $x_a$ ). For example, given frequent interaction and positive externalities of Alter on Ego, Ego can try to please Alter by positive transfers (attention, gifts, helping, etc) and doing what she thinks Alter expects of her<sup>1</sup>.

The production function of positive affect (a) can be written as

$$a = x_a + d_a \quad (9)$$

The total income restriction can now be written as

$$p_1 z_1 + p_s s + p_b b + p_a a = I + p_s d_s + p_b d_b + p_a d_a = Y \quad (10)$$

The purpose of this formula here is solely to summarize the arguments above.

If we look at all three components of social approval, we see that only status is a positional good (see Hirsch, 1978). It is by definition not possible that everybody gets a high status, since status is based on the relative difference between people. By contrast, behavioral confirmation and positive affect could in principle be evenly distributed throughout the society. For this very reason, these two goods are particularly important sources of social approval for people with low income and a low status endowment. However, privatization in consumption will lower their access to these goods. The next section deals with this relationship between privatization and social approval by first discussing group and norm formation.

## IV. SHARING GROUPS

Informal groups come into being on the basis of sharing the costs<sup>2</sup> of those goods that none of the members could afford to purchase or produce alone.

<sup>1</sup> The fact that Ego cannot be sure that this attempt will work can be interpreted (like other risky situations) as raising the price of positive affect. Ego can also try to become member of a social circle in which the conditions for the production of positive affect are very promising. By doing so, she may of course lose one of her present social circles and thereby some of her endowment which, in turn, would raise the price of positive affect.

<sup>2</sup> Cost sharing is here taken to include sharing in production

Thus, in informal groups, both consumption and costs are shared. For example a number of farmers in a village may share a combine which none of them could afford as a private good. In the same village, farmers may share risks by sharing the costs of strokes of individual bad luck (such as illness).

*Cost sharing* means positive externalities mutually exerted on one another. Everybody profits from the arrangement because everybody is able to consume a good she would have otherwise been too poor to have access to. The more goods are shared, *ceteris paribus*, the larger the mutual positive externalities. But *sharing in consumption* creates negative externalities. For example, one farmer would like to use the combine just when it is another farmer's turn to use it. Or the other's negligence causes the combine to be out on repair for a week.

### A. Norms and Meta-Norms

Given positive externalities and the possibility for face-to-face interaction, a sharing group will develop norms to mitigate the negative externalities caused by sharing. Agreements are made concerning terms of consumption, handling maintenance, responsibilities, etc. These agreements turn into rules (i.e. norms) that regulate the concrete terms of sharing. In addition, meta-norms (i.e. norms about norms) on keeping to agreements, on making collective agreements, on accepting authority from certain persons, on sharing as a human condition, etc. will develop (cf. Lindenberg, 1978). They are the heart of what is commonly called "morality" and their function is to regulate cooperation in the social dilemma type situations that are produced by the fact that there is always an incentive to violate concrete sharing norms (cf. Ullmann-Margalit, 1977; Opp, 1985). Two conditions are particularly important for their development and maintenance: the amount of goods that are being shared in daily life, and the size of the group.

First, the more goods are shared, the more attention will be paid to the meta-norms in the group because the same meta-norms can be applied to very different concrete sharing arrangements; and transactions and enforcement costs for these agreements will be lower to the degree that members generally accept the meta-norms. Paying attention to meta-norms means that members find it worthwhile to take the effort to sanction violators and to put some effort into socializing newcomers (for instance children) into acceptance of these meta-norms.

Second, since meta-norms regulate cooperation in mixed-motive games, at least some individuals of the sharing group will have an incentive to violate the norms in any particular situation. Since we are talking about a face-to-face interacting group, the group will never be so big that norm violators can hide effectively. The relevant question is, therefore, not whether people can secretly

violate the norms but whether people can undermine the norms with situational ad hoc agreements. The larger the sharing group, the larger the transactions costs for any collective agreement that violates the reigning meta-norms. Thus, the larger the sharing group, *ceteris paribus*, the more likely that existing meta-norms will be observed.

### B. Endowments

The more attention is paid to norms and the more they are observed, the higher everybody's *endowment with behavioral confirmation*. In every interaction, people will indicate to each other that they "do it right". In addition, it is easy to anticipate the reactions of others and thus also self-reward for norm-conform behavior is likely.

*Endowment with positive affect* will be the larger, the more goods of daily life are being jointly produced or jointly paid for; the smaller the negative externalities of sharing in consumption; the more frequent behavioral confirmation; and the more frequent informal interaction is. Given the assumptions we have made above, we can thus expect some endowment with positive affect wherever sharing groups occur. And within larger sharing groups, we expect nested concentrations of positive affect where higher intensities of sharing in cost or production occur.

The endowments are part of the total income (see equ. 10). The more difficult it is to acquire any component of social approval through one's own effort, the higher its price. Given the price, the higher the endowment, the higher the total income. But since a large part of this income is earmarked (i.e. it can not be used to buy anything else), it is likely that the individual experiences deprivation with regard to those goods for which the endowment is relative small. Let us take a more concrete example. An individual that is part of a tight community with much cost (or production) sharing of goods in daily life, and with much informal interaction, that individual will be highly endowed with behavioral confirmation and positive affect. Relative to this endowment, she will feel deprived of status and physical well-being.

If sharing groups were to vanish or at least become smaller, the endowment with behavioral confirmation and with positive affect would clearly also decrease. But under what circumstances do sharing arrangements change?

### C. Change in Sharing Groups with Increasing Income

Using reasonable model assumptions, it can be shown (cf. Lindenberg, 1982) that increasing disposable income for any individual will generally decrease the

size of the sharing group(s) of which this individual is a member. In other words, increase in disposable income per individual will increase privatization in consumption.

Briefly summarized, the argument runs as follows. Assuming individuals can come to a sharing agreement at all, there will be an optimal group size for each participant, depending on the individual's preference for the good, her income, the total price of the good, and the amount of negative externalities created by the sharing situations. If one person is added to the sharing group, the cost per person will go down (gain) but the negative externalities facing each individual will increase (loss). If the marginal gain equals the marginal loss, the sharing group will have reached its optimal size. Obviously, if one of the parameters changes, the optimal group size will also change. For example, if ten farmers share a combine and the income for each increases, then eventually they will be rich enough to afford, say, two groups of five, each sharing one combine. If disposable income keeps increasing, each farmer will end up having her own combine and we will thus have reached a complete privatization in consumption regarding this good.

## V. THE PARADOXICAL EFFECT

Once privatization in consumption for a particular good is complete, there will be no more sharing (regarding this good) and thus also no more norms with respect to sharing. But even if the privatization is not complete, the fact that sharing groups become smaller means that norms will be increasingly undermined by ad hoc situational agreements.

If norms weaken or even vanish, their by-product will also be affected: *less endowment with behavioral confirmation*. The less behavior is regulated by norms, the less it can be rewarded for following norms. This also holds for the possibility of the individual to be self-congratulatory about her own behavior in anticipation of behavioral confirmation from others.

The *endowment with positive affect* will also decline with increasing privatization in consumption because at least two of the three conditions for the production of affect will decrease: fewer positive externalities and less endowment with behavioral confirmation. To the degree that informal interaction was due to sharing, it, too, will decline.

How will the individual react to the loss of endowments? One would expect that she will compensate by spending some of the (increased) money income on  $x_b$  and  $x_a$ , i.e. on goods with which she can produce behavioral confirmation and

positive affect. Now doubt, this will happen, however, these two goods cannot be easily produced or purchased. There are good reasons to assume that the quantities of behavioral confirmation and of positive affect are not continuous, leading to yet another form of deprivation. Briefly, the argument is as follows:

In order to produce behavioral confirmation, one has to produce norms first. Since norms are the results of sharing arrangements, one has to produce these arrangements first. Sharing arrangements for the sole purpose of producing norms are not possible because norms are collectively produced as reactions to negative externalities, *given* cost or production sharing. Thus, goods (other than norms) have to be shared first. Yet, to the degree that these goods have been privatized in consumption, attempts to "collectivize" them without any material need to do so, will end in failure: the positive externalities of cost or production sharing will not outweigh the negative externalities of sharing in consumption. In other words, the very same conditions that promoted the disappearance of endowment with behavioral confirmation and positive affect, also make it unlikely that informal groups that share many goods of daily life can be artificially created.

This is not to say that all informal groups vanish. There will be bridge groups, tennis clubs, music bands and other voluntary groups that share cost (or production) and consumption of some good or other. Yet, the level of positive externalities and norms produced by these arrangements is low since the level of privatization in consumption for almost every good is high.

The paradoxical effect is this: people seemingly deprive themselves voluntarily of behavioral confirmation and positive affect.

### A. Cumulation Goods

Why are people willing to destroy sharing groups with privatization in consumption if they know that this will lead to a loss of behavioral confirmation and positive affect? Take an example. Creating more privacy for every family member eventually leads to a situation in which everybody has his or her own room, entertainment electronics, telephone and bathroom. As a result, the family members will not have to work out concrete arrangements of sharing, nor do they have to pay much attention to meta-norms. Their interaction frequency will also decline. As a result they leave each other in peace, do not try to judge the other's behavior, and treat each other civilly but without much mutual involvement. At some point each may bemoan the fact that they miss the "old" days in which they were much poorer but somehow more important to each other and more certain of what to do and why. Did these people know the consequences of their progressive moves towards privatization in consumption?

Probably they did not, but I would like to maintain that it makes little difference. At no point does anybody have the choice between privatization and endowments because the behavioral confirmation and positive affect are both *cumulation goods*. They only come about as the result of many small decisions, each being quite unimportant for the final outcome (see also Kahn, 1966). Cumulation goods can be seen as the intra-individual analogue of public goods. Let  $\beta$  be the relative amount contributed by any decision of an individual to the final good, then the smaller  $\beta$  the less likely that any action chosen because of it. For public goods, group size achieve the same effect for the individual contribution.

In short, the alternative to increase privacy (i.e. decrease negative externalities of consumption sharing) with increasing income will *always* win from the alternative not to do so for the sake of keeping the endowment with behavioral confirmation and positive affect as it is. Only selective incentives that are no cumulation goods (i.e. goods with a large  $\beta$ ) could keep privatization from happening or to slow it down (tax incentives, for example).

### B. Lobster Trap Organizations

There is a way to get a high level of behavioral confirmation and positive affect: sharing groups that are organized like lobster traps. Imagine a group which you could join quite easily but once you joined it, it becomes progressively more difficult to leave. Such a group works like a lobster trap. For example some sects fit this description, a famous example being the Peoples Temple by Rev. Jim Jones (cf. Lindenberg, 1984:184f). Members of such groups act as living advertisements of people with a high level of behavioral confirmation and positive affect, attracting new members who are in search for these goods and who are otherwise marginal enough to withdraw from their present social context without prohibitive costs.

The reason lobster trap organizations can achieve what other groups can not (with regard to these goods) is that they neutralize the effect of income by progressively cutting off all outside alternatives. The difficulty of making the bridge club into a multiple sharing group with strong norms was the possibility of leaving it the moment it would become more demanding than the material circumstances warranted. If the price of leaving a group increases just enough, then the "more private" alternative is just always a bit out of reach.

We would expect entrepreneurs for such lobster trap groups to be more successful in economically good times because then privatization in consumption and deprivation of social endowments both increase. Even commercial firms can successfully add lobster trap groups to their organization, developing their own "culture" or clan-like groups that offer behavioral confirmation and positive

affects to their members (cf. Ouchi, 1980).

Lobster trap organizations represent another paradoxical effect of privatization in consumption. By furthering their independence from others, people seem to be increasingly willing to subject themselves to collective restrictions.

## VI. CONCLUSION

Deprivation can occur due to endowment or due to lack of supply of continuous alternatives. In both cases it will make structural changes that lessen deprivation attractive. The paradoxical effect described in this paper is people's apparent willingness to act voluntarily in such a way as to increase their deprivation. I argued that sharing in cost (or production) and in consumption will make people pay close attention to norms and it will give rise to endowment with two important components of social approval: behavioral confirmation and positive affect.

The paradoxical effect of destroying this endowment without being able to replace it by your own efforts (i.e. of increasing your deprivation with regard to confirmation and positive affect) begins with increasing disposable income. When income increases, sharing groups become smaller and privatization in consumption increases. Without sharing groups, no norms are produced or maintained and the endowments of both behavioral confirmation and positive affect decline.

Another paradoxical effect is the apparent willingness of some people (who have certain freedoms due to their marginal position) to trade in their privacy in consumption and voluntarily tie themselves to groups with strict norms. Such groups work like lobster traps: one can get in quite easily but not out.

It is well known that the self-image depends to a large degree on social approval. Being deprived of behavioral confirmation and positive affect hurts those the most who do not wield much status. They are unable to compensate lack of one kind of social approval by another and will have difficulty securing a positive self-image for themselves. Since we also know that the ability to learn from one's mistakes often decreases as one's self-image deteriorates, these people have an additional disadvantage. For a state it would be worthwhile to pay some attention to the preservation of local traditions, ethnic peculiarities, dialects and other goods that aid the formation of some kind of local sharing groups.

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## DECLINING LIFE EXPECTANCY IN A HIGHLY DEVELOPED NATION: PARADOX OR STATISTICAL ARTIFACT?

Reiner Dinkel\*

### I. INTRODUCTION

One of the most reliable indicators of a country's socioeconomic development is the so-called life-expectancy at birth, a summary measure of mortality-rates from infant mortality to mortality at the most advanced ages. Since mortality is to reflect factors like nutrition, medical technology, prevention, or public health standards, it has been and still is a frequently used argument in ideological competition between East and West, too. Without doubt the Soviet Union was one of the most underdeveloped European countries at the time of the October Revolution. In terms of life-expectancy it lagged behind the other industrialized countries of Europe by a gap of about 15 years (Pressat, 1985: 318). Even in the period between the two World Wars, the increases in Soviet life-expectancy were only relatively meager.

One of the most striking advances of socialism have been and were generally seen to be the improvements in public health provision for the population as a whole. In accordance with this assumption mortality-rates in the Soviet Union declined rapidly in the first two decades after World War II. In 1965 life-expectancy for men and women in all parts of the Soviet Union, which still includes vast underdeveloped regions with unfavorable living conditions, were as high or even higher than in the United States. Such a development fits perfectly

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