

# **L-worlds. The curious preference for low quality and its norms**

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# L-worlds

## The curious preference for low quality and its norms<sup>1</sup>

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SOGNO UN PAESE IN CUI  
SI PREDICHI COSÌ COSÌ  
E SI RAZZOLI COSÌ COSÌ.



(“I dream of a country in which the preachers preach so-so, and the preached act so-so”)

*Abstract.* We investigate a phenomenon which we have experienced as common when dealing with an assortment of Italian public and private institutions: people promise to exchange high quality goods and services (H), but then something goes wrong and the quality delivered is lower than promised (L). While this is perceived as ‘cheating’ by outsiders, insiders seem not only to adapt but to rely on this outcome. They do not resent low quality exchanges, in fact they seem to resent high quality ones, and are inclined to ostracise and avoid dealing with agents who deliver high quality. This equilibrium violates the standard preference ranking associated to the prisoner’s dilemma and similar games, whereby self-interested rational agents prefer to dish out low quality in exchange for high quality. While equally ‘lazy’, agents in our L-worlds are nonetheless oddly ‘pro-social’: to the advantage of maximizing their raw self-interest, they prefer to receive low quality provided that they too can in exchange deliver low quality without embarrassment. They develop a set of oblique social norms to sustain their preferred equilibrium when threatened by intrusions of high quality. We argue that cooperation is not always for the better: high quality collective outcomes are not only endangered by self-interested individual defectors, but by ‘cartels’ of mutually satisfied mediocrities.

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<sup>1</sup> We are very grateful to Cristina Bicchieri, Roberto Casati, Jon Elster, Vittorio Girotto, Andrea Goldstein, Stephen Holmes, Pasquale Pasquino, Dan Sperber, Valeria Pizzini Gambetta and Federico Varese for their comments on earlier versions of this essay and to several participants in both the workshop on Moral, Social and Legal Norms, Bogotá, October 19-20, 2007 and in the NASH seminar, Institut Nicod, Paris, December 2007.

We have spent our academic careers abroad, Gloria in France and Diego in Britain. Over this long period of time each of us has had over a hundred professional dealings with our compatriots in Italy – academics, publishers, journals, newspapers, public and private institutions. It is not an exaggeration to say that 95% of the times something went wrong. Not catastrophically wrong, but wrong nonetheless.

Sometimes what goes wrong is timing, things do not happen when they are supposed to happen. Or they happen in a different form from that which was planned or are simply cancelled. Workshops have twice or half as many people as one was told to expect, the time allocated to speak is halved or doubled, proofs are not properly revised or mixed up, people do not show up at meetings or show up unannounced, messages get lost, reimbursements are delayed, decreased or forgotten altogether. This experience now extends to internet dealings: relative to those in other countries, Italians websites are scruffier, often do not work properly, remain incomplete or are not updated, messages bounce back, e-mail addresses change with dramatic frequency, and files are virus-ridden.

This is more than mere anecdotal evidence. Unless we suspect the existence of a bias due to the fact that it was *us* deserving an unfavourable treatment, we can be confident that the sum of our independent experiences amount to a statistically significant sample, representative of the universe of encounters with the kind of people with whom we interacted.

The sources of this cocktail of confusion, sloppiness and broken promises are a mystery to us. Are the types of Italians with whom we interacted just bumbling and unreliable? Is this the outcome of some collective irrationality or is it in some perverse way intended? Are *we* the ones to be maladjusted? And how is this unpleasant feeling that nothing works well and standards in many walks of life keep declining compatible with a common appreciation of the Italian laid-back way of life?

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Let us try to stylise the situation described above.

Two persons agree to trade some units of good  $x$  for some units of good  $y$  (goods is to be intended in the most generic sense, and to include intangible resources;  $x$  and  $y$  can also be the same ‘good’ as when two people agree to meet, the good being showing up at a given place at a given time). Assume for simplicity that goods can be

produced at two levels of quality, High (H) and Low (L). H is both more rewarding to receive and more costly to produce than L; H takes more time, effort, skills and organisation. This excludes goods that have only *one* level of quality – if one pays to have someone murdered, one will regard a non-lethal wounding as a failure to deliver.

There might be domains in which H-ness is undefined, such as an intellectual contribution to a theory which cannot even be proven wrong, or art and fashion in which the lack of objective criteria of quality make H unfathomable. We will limit ourselves to consider cases in which the criteria to establish H-ness are not controversial.

Our two persons can agree to trade at HH or at LL. For instance, they can both agree to be punctual so that neither will waste any time or to allow some flexibility in which either may waste some time waiting. Or one can agree to present a new paper at a conference and be paid 500 euros or recycle some old work and be paid 200 euros, just as one can choose to buy a Skoda rather than a Saab and pay a lower price for it. These examples describe a standard exchange in which there are differing qualities at differing prices, in which qualities are transparent and people are free to choose the combination they prefer. If both deliver what they promise and agree on, even if the exchange is LL, all ends well.

Problems arise if the two individuals agree on H but one of them delivers L. This is, of course, a risk of many exchanges: rational, unprincipled and self-interested agents prefer to dish out L rather than H, while at the same time, one would think, they also prefer to receive H rather than L. Dishonest second-hand car dealers prefer to sell a lemon while charging an H-price. This happens often enough. And it is what happened to us many times. We delivered H and got L, the sucker's payoff. One of us has now become very cautious before dealing professionally with his old compatriots while the other has started to dish out the occasional L herself...

Our impression, however, is that when the type of Italians we encounter deal with one another, there is no great tension over these mishaps: *both* parties agree on H and *both* deliver L. On the face of it, it looks as if they sell each other a lemon, and yet:

- Nobody seems to complain.
- When we got L in return for giving H and complained, the L-party seemed more annoyed than apologetic. They seem to treat this as excessive fussiness.

- H-doers do not seem to receive much admiration, quite the contrary, they elicit suspicion. As an Italian university ‘barone’ once put it, “You don’t understand Diego, when you are good [at your work] you must apologise”.
- ‘Italians’ end up in LL even if they are playing a repeated game and plan to trade with each other in the future. In other words, they are not deterred from dealing with each other again and do not expect the other party to be deterred by getting L.
- They do not abandon the H-rhetoric, and, more or less explicitly, keep promising high standards.
- A feeling of familiarity develops among L-doers: L-prone people recognise other L-prone people as familiar, as ‘friends’.

The evidence we have collected in years of flawed interactions indicates that LL seems to be the expected outcome, the outcome that surprises no one among the ‘locals’. “Expected”, however, can in principle refer to three different preference rankings:

- (i) the parties involved in the exchange end up with LL even though they would individually prefer LH and collectively prefer HH. This is the case in which they fail to achieve the best collective outcome because, for example, they fear that others will defect. The preference ranking for each party would thus be the following (the first level of quality in each pair refers to the quality of the good one would prefer to supply and the second to the quality of the good one would prefer to receive):

LH  
HH  
LL  
HL

This ranking is usually identified with the prisoner’s dilemma game, which, expressed in a normal-form matrix of payoffs, can be represented as in the table below:

	H	L
H	2,2	0,3
L	3,0	1,1

- (ii) in the second preference ranking, while each party prefers to supply L and receive H as in the first, they also *prefer* LL to HH. While for themselves they still prefer H to L, they would rather get something bad provided they are allowed to ‘reciprocate’ with something just as bad. They prefer *pressapochismo*<sup>2</sup> to *perfezionismo*. They would thus have the following preference ranking:

LH  
LL  
HH  
HL

To prefer LL to HH is a plausible enough ranking even after a promise to do an H-job; one can settle quite happily – say, out of laziness or competing pressures – for a lower quality good if this implies less work for one, even though one would still be happier to have a higher quality one for the same effort. This preference structure in a normal-form is as follow:

	H	L
H	1,1	0,3
L	3,0	2,2

One may, for example, prefer to write a piece for a mediocre journal provided that they do not ask one to do too much work, although one would be happy to publish in a better journal at the same cost and they would be happy to have a better article at the same cost.

- (iii) the third way to interpret the expectation of LL – and the most awkward – is that not only do both parties prefer LL to HH, but each also prefers LL to LH! They prefer to be involved in exchanges with other L-minded people who deliver at the same low level of quality as they like to do:

LL  
LH

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<sup>2</sup> “Pressapochismo”, an idiomatic expression, refers to accepting or producing results that are imperfect, sloppy, or poorly organised.

HH  
HL

This frame is less conventional. They do not just end up with LL, they actually *prefer* LL to all else. The third frame describes a situation in which LL is not a suboptimal equilibrium as in the previous two rankings, but the overall preferred one. Again, as a normal-form game, this preference structure can be represented in the table below:

	H	L
H	1,1	0,2
L	2,0	3,3

Is this frame realistic? How could anyone ever *prefer* to receive lower to higher quality goods at the same cost to himself? Self-interest would seem to dictate LH as the preferred outcome, as in the other two rankings; so what is it that trumps it?<sup>3</sup> The texture that sustains this preference ranking in real life is quite rich, but before we can elucidate it, let us illustrate with a fictional example the reasoning behind the dominance of LL may take:

*After many years since I left my native town in Italy, one of the universities in Milan invites me to give a series of lectures. They offer me, say, 900 Euros for 15 hours of teaching in two weeks. I accept with enthusiasm, because it gives me an opportunity to visit my family and keep in touch with my old town. Although my previous experience in dealing with Italy tells me that I will*

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<sup>3</sup> Recent experimental research carried out by Herrmann, Thöni & Gächter (2007) has come up with unexpected evidence which may be germane to our case. They ran the so called public-good game with university students in 15 cities in the developed and developing world, from the US to China, from the UK to Russia, Turkey and Saudi Arabia. Their experiment does not fully match our case as here players do not make any agreement among themselves. However, a parallel can be established by conceiving of those who give higher contribution to the public good as H-deliverers and those giving a low one as L-deliverers. Traditionally, their preference ranking should be those outlined in (i) above, namely LH, HH, LL, HL. What they found was that in all 15 cities subjects punished free riders, here defined as those in the group who contributed less than they did. In other words, H contributors punish L ones as one would expect. But the striking and puzzling finding is that in some cities subject punish also those who contribute *more* than they did (in a few cases they punish even those who contribute as much as they did)! In other words, there were some L-doers who punish H-doers. If we can attribute a preference ordering to such individuals, we would have to say that they prefer LL to everything else, just as in our case (iii) and, more extravagantly still than in our case they are even prepared to enforce L-ness *at a cost to themselves*. Going in descending order of size of punishment, punishment of more generous contributors was found in Muscat, Athens, Riyadh, Samara, Minsk, Istanbul, Seoul and Dnipropetrovsk. Although not entirely absent, this type of punishment proved negligible in Boston, Nottingham, St. Gallen, Zurich, Copenhagen, Bonn, and Chengdu.

*probably be paid in no less than six months later, that the 900 Euros will be reduced to 600 due to mysterious taxes not previously announced, I nevertheless accept, because I also know that they will not strictly enforce 15 hours of teaching, but will be satisfied with 10, given that they won't be able to keep the economic deal they announced. This suits me perfectly because I have extra, personal interests to go to Milan and the less I'm asked to do the better it is for me: I will have more time to spend with my family. And it suits also the university, because they can have an invited professor for a cheap salary, so that we both end up satisfied. Nobody explicitly states that the original deal has not been entirely fulfilled. I know that they know that I won't respect the deal and that neither will they and we end up in a mutually advantageous equilibrium in which we both have advantages in delivering less than we promised. We're both satisfied, while the quality of the services provided by the university decreases. Even if it may seem at first sight that the optimal outcome of this hypothetical university would be to pay an L price and to get an H (LH), they prefer if I deliver L, because I will not embarrass them and will have no reasons to complain for their L; and I too would be embarrassed if they paid me in full and promptly given that I did not do my full stint of teaching.*

As we can infer from the example, the optimality of LL-equilibrium obtains provided that two conditions obtain:

(1) to the raw payoffs of free-riding we must prefer to avoid the embarrassment of being seen as a free-rider or the discomfort of being made to feel of inferior quality or both – emotions that would be triggered if the other party gave us H while we saddle them with L. By contrast, when both parties tacitly accept a “discount” they are not cheating each other. Rather, they are entering a relation whose advantages for each depend on the reciprocal tolerance of L-ness. Not only you want pressapochismo for yourself, you also want it in others.

(2) we need to have some prior knowledge, obtained either through direct experience or vicariously, that “this is how things work”; in other words we need to expect both that our partners in the exchange are, say, likely not to pay as well or as promptly as they say they will, and, on the other hand, that they are not likely to resent it if we fail to deliver a perfect H.

In one respect, the type of person who prefers LL to LH is like the types with the other two preference rankings: they *all* prefer to put less effort in what they do and deliver L rather than H. None of them likes to do H for its own sake. But in another respect the type that prefers LL to LH is different for he is not the purely self-interested individual, the one who always prefers H for himself regardless of other people's feelings and judgments, but, while equally ‘lazy’, our L-doer is a “pro-social” type who, to the advantage of maximizing purely his interests (LH), prefers a mediocre



payoff provided that he does not suffer embarrassment or discomfort (LL). They dread being the only sinner around.

One-off encounters may suffice to set off these emotions and make L-doers happier to receive an L even from a stranger. Naturally, if the two parties are not interacting just once and envisage a string of future exchanges, the potential force of these negative emotions could intensify. If we dislike being made to feel that we are exploiting a stranger, we would dislike even more to be seen to be exploiting a familiar person.

### *L-Trust and L-selection*

When these conditions obtain, people expect rather than just accept a certain amount of L-ness. Usually, if one promises to deliver H and delivers L instead, one would think of this as a breach of trust. But in our case it looks as if they rely on each other not to be entirely trustworthy, they trust their untrustworthiness. Not only do they live with each other's laxness, but expect it: I trust you not to keep your promises in full because I want to be free not to keep mine *and* not to feel bad about it. There seems to be a double deal: an official pact in which both declare their intention to exchange H-goods, and a tacit accord whereby discounts are not only allowed but expected. It becomes a form of tacit mutual connivance on L-ness.

Thus, if a party delivers H instead of L, the other party feels that this is, paradoxically, a breach of trust, even if he may not acknowledge it openly. In other words, if I deliver H, you resent me because of that. My being trustworthy in this relation means to deliver L too. Contrary to the standard Prisoner Dilemma game, the willingness to repeat an interaction with someone is ensured if he delivers L rather than H.

It follows that L-doers will try to establish the – perverse – trustworthiness of others with whom they are considering to interact. They will look for signs of L-ness and select as partners only those that emit credible ones. And, for their part, L-doers will endeavour to signal their L-ness to persuade other L-doers of their trustworthiness. Anyone who gives an indication of liking H-ness, of not being a committed L-doer, will be shunned. We can expect that L-doers will try to avoid dealing with H-doers.

In support of this prediction, in addition to our experience, we can mention a few facts. Italy is among the few if not the only developed country that recruits

virtually no foreign researchers in its universities<sup>4</sup>; also, few universities invite foreign lecturers. A reliable source that wishes to remain anonymous, mentioned two cases concerning Law faculties in major Italian cities. In one of them, ample funding meant to be used to invite foreign professors goes systematically unspent, and according to our source, this would be because local L-doers fear that foreign H-doers could make them look bad. In the other Law faculty, they recently reduced the gross salary for a 20 hours teaching stint for an invited professor from 5000 to 1700 Euros, not apparently for lack of funding, but to discourage foreigners from coming and preserve the jobs to their less financially demanding local protégés. The ostracism of H-doers extends to Italians who migrated. Evidence of this is that the Italian government itself, on several occasions, established special funds, which could only be spent on employing Italian academics who worked in foreign universities and wanted to return to their country. No matter how internationally distinguished the chances of expatriates to obtain a chair in the regular competitions were zero.

A major problem of selecting people for their L-trustworthiness is that the most credible signs of it are emitted by those who not only choose L as a strategy and could under different conditions revert to H-doing, but by those who can *only* do L: the best way to persuade others that one is lax and incompetent, and thus a good ‘friend’, is not by pretending but by truly being lax and incompetent – by being a genuine L-type. This contributes to the inverse meritocratic selection, a phenomenon sadly rife in Italy.<sup>5</sup> The custom police secretly recorded the conversations between Paolo Rizzon, chair of cardiology in Bari, and other colleagues involved in university appointment committees, among them Mario Mariani, cardiologist in Pisa. Rizzon can be heard boasting to Mariani: “He was the best and we screwed him!” He refers to Eugenio Picano, a candidate whose impact score in terms of citations of scientific articles was nearly six times greater than the next best candidate who got the job. Inverse selection is endemic in Italian academia, and much of it occurs because of corruption and nepotism. But the selection of L-doers rather than H-doers can arguably be sustained by the desire to keep L-doers strong and unchallenged (*la Repubblica*, 17 September 2005).

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<sup>4</sup> There are few counter-examples. One worth mentioning is the Department of Cognitive Science of the university of Trento, that has hired 9 foreign professors on a total of 35 employees. (We thank Vittorio Giroto and the dean of the Department, Remo Job, for this information).

<sup>5</sup> For a discussion of incompetence as a signal of trustworthiness and inverse meritocratic selection see Gambetta (2009: ch.2).

### *H-Rhetoric*

A key feature of our situation is that the dominance of LL preferences remains veiled by the H-rhetoric. Both parties collude by engaging in a sort of “joint mimicry” and pass themselves off as H-doers.<sup>6</sup> A teacher who pretends to teach, benefits from students who pretend to learn, and vice versa. By jointly mimicking H, both parties may aim at fooling outsiders, or simply fool themselves into sustaining a self-image of better quality.

The fact that people prefer LL exchanges while paying lip service to H-ness makes our situation different from the transparent mutually agreed exchange of lower quality goods that we mentioned at the onset. In the latter case there is no H-façade. There is also, more importantly, no externality, both parties get what they expect and no one else suffers from L being exchanged. While in our case, at the very least, the credibility of H-promises is undermined. If, in addition, our exchanging characters work for an institution that purports to be delivering an H-service, the value of the institution’s service will be tacitly eroded by each LL exchange, as a school in which both teachers and students pretend to be teaching and learning respectively.

But why, to go back to our example, don’t we just agree on less teaching for less money? One can imagine a society in which people do not even perceive H-ness at all and are entirely happy with what in another society would be regarded as L-standards. It is conceivable that particularly insulated individuals brought up in an L-world may remain blissfully unaware of the existence of other standards.

To trigger tension and promote an H-façade the dominance of LL preference must spread beyond the occasional isolated pairs of exchanging people, but at the same time it must fall short of becoming universal. It is in mixed situations that L-doers cannot relax – when L-niches are still surrounded by an H-world, which threatens to intrude and destroy their comfortable LL equilibrium. In these mixed situations, L-doers will have to deal with H-ness in some way, and this forces them to keep up the H-rhetoric. We can think of three reasons for this:

- (i) to admit to L-ness could attract punishment or at least ridicule, at least when the H-production is regulated by law or by the norms of an institution;

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<sup>6</sup> On the notion of “cooperative mimicry” see Gambetta (2005).

- (ii) When the value of a good depends on its H-image rather than on their actual H-ness, and the image can partially resist the erosion caused by low quality, then there is an advantage to keep up the H-façade.<sup>7</sup> There exists a fraudulent business in Southern Italy of adulterated olive oil made up mixing hazelnut and sunflower-seed oil, sold under the label “extra-virgin olive oil”. When Leonardo Marseglia – director of the Casa Olearia company in Apulia – was charged with contraband and fraud against European Union (and then acquitted) for having sold bogus oil under the label “extra virgin”, he justified himself in an interview by arguing that thanks to his adulterated oil many people could afford to buy oil with the *label* “extra virgin” at a reasonable price.<sup>8</sup> Some people, he claimed, are interested in having at least the image of H-ness. “We pretend to buy good olive oil and you pretend to sell it”. (In zoologists’ jargon this is a case of “cooperative mimicry”, in which those who are apparently fooled cooperate with the mimic, with a view to fooling someone else.)
- (iii) L-doers may want to keep up a credible façade with their surrounding H-communities because they gain from this: Marseglia had an interest to pretend to comply with EU community standards because he was receiving EU olive-oil subsidies. Also, L-doers manoeuvre to prop up their reputation for H-ness with their naïve local audiences by being seen standing shoulders to shoulders – briefly but as noisily as possible to be heard far and wide – with H-doers, as in the case of L-universities liberally dishing out *honoris causa* degrees. And which distinguished scholar would want a degree *honoris causa* from a University that frankly admitted to having abysmal standards?

Finally, the maintenance of an H-façade may simply satisfy the need to reduce the cognitive dissonance between what one practices and what one preaches. The gap between the H-standards and the L-standards creates uneasiness among L-doers. Even if they cultivate specious legitimising reasons to practice L-ness (as we shall see below), many still seem aware that there is another set of reasons, which enjoin one to do H. The dissonance is reduced by interacting always with the same people, whom

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<sup>7</sup> An example of the impact of reputation and image on prices is given by Landon and Smith (1998) in an essay on the market of Bordeaux wines.

<sup>8</sup> For a detailed reportage of olive oil frauds in Italy see T. Mueller (2007) “Slippery business”, *The New Yorker*, August 13<sup>th</sup>, pp. 38-45.

one can trust for not challenging one's standards. L-doers segregate themselves in mutual admiration societies.

### *L-norms*

L-niches still dangerously surrounded by an H world, which threatens to intrude and destroy the LL-dominance, will try to legitimise and protect themselves from deviations by developing social norms – the “morals” will, in Humean fashion, follow the interests. L-doers will sanction each other if they deal with H-doers for this endangers the LL-equilibrium they cherish. And if H-doers slip through the net, they will cause embarrassment and discomfort, they will be resented and ostracised; in particular, if they complain after receiving an L they will be sanctioned; in other words, L-doers will connive in enforcing their LL-preferences when people with other rankings encroach on their turf.

Norms, however, will have to be based on oblique reasons and bogus principles because nobody can afford to acknowledge overtly that LL is their preferred outcome. One would lose face in that way. When Federico Varese (1996) revealed that Stefano Zamagni, a well-established Italian economist, had plagiarised verbatim several pages from Robert Nozick, Varese was criticised by several Italian colleagues who together evoked nine norms or reasons that he would have violated by blowing the whistle. None of these include a justification of plagiarism per se. Varese discusses them in an unpublished article (“Economia d’idee II”). They are worth listing, their range is staggering:

1. There is nothing original, everyone plagiarises, so why bother? [journalist]
2. Whistle blowers are always worse than their targets [sociologist]
3. What is the point of targeting Zamagni? They will never punish him anyway.
4. What is the point of blowing the whistle as *you* will pay the consequences [family, friends]
5. He is a good “barone”, much better than many others, so why target *him*? [economist]
6. Zamagni is a member of the left and you should not weaken the left during election times [economist; various friends]
7. Zamagni shows good intellectual tastes as he plagiarises very good authors, so he does not deserve to be attacked [philosopher]

8. Given that many are guilty of plagiarism, targeting one in particular shows that the whistle blower is driven by base motives.

9. In addition, an economist suggested an explanation rather than a justification saying that the real author of the plagiarism was probably a student of Zamagni who wrote the paper for him. This would, funnily enough, imply that Zamagni was innocent of the plagiarism, but still that he signed a paper he did not write, written by someone who also did not write it!

Zamagni's is not an isolated case. Several of the above reasons were invoked in defence of Antonio Villani, a political philosopher and former rector of the Institute Suor Orsola Benincasa in Naples caught copying vast chunks of text from various German authors. Villani resigned without acknowledging personal responsibility and explaining that due to his being short-sighted he had to rely on his assistants. Surprise for his resignation dominated over indignation<sup>9</sup> for his misdeeds. A more recent case of plagiarism by the Italian philosopher Umberto Galimberti, presents similar features. He copied several pages from a book by Giulia Sissa (an Italian classicist and anthropologist who works in California), who publicly denounced him. Galimberti defended himself and was defended by eminent colleagues in Italy by appealing to a number of extravagant justifications echoing those invoked in Zamagni's case, such as: "All philosophy is a form of plagiarism, so, where is the problem"? Or : "Giulia Sissa should feel honoured of being plagiarized by Umberto Galimberti, because this will give a chance to her ideas to have a better circulation in Italy"<sup>10</sup> (it is not clear how people reading the plagiarised text were supposed to know that the merit of them was Sissa's).

The defenders of Zamagni, Villani and Galimberti seem to belong to a natural "cartel" of L-doers: scholars and intellectuals who reassure each other of their H-ness and use their power to protect their mediocrity and prevent the intrusion of H-doers. Zamagni would no doubt have preferred to have his paper skimmed by an L-reader rather than have it H-read by Varese. "I pretend to write and you pretend to read, and if you stop pretending you are no longer my friend". In the end, Zamagni was not sacked by his university nor was he expelled from the *Società Italiana degli Economisti*. As

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<sup>9</sup> Cf. D. Pacitti (1997) "Court threats to plagiarists", *Times Higher Education Supplement*, January 3d.

<sup>10</sup> The first justification was formulated by the Italian philosopher Gianni Vattimo. Cf. *Il Corriere della Sera*, April 28<sup>th</sup>, 2008: "Gianni Vattimo: che torto ha Galimberti? Filosofare è copiare".

professor Caritat, the protagonist of Steven Lukes' swiftian novel on a strange journey in quest to the best of all possible worlds, says: "the law applies to one's enemies; for one's friends it is interpreted"<sup>11</sup>.

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In the rest of this section, we look at other social norms, comparing and contrasting them with our L-norms to try and establish to what extent our case is sui generis. To what extent, for instance, does our case resemble norms against excessive zeal such as those found in schools against *secchioni* (hard-working students) or in factories against stakhanovites?

One might suspect that L-doers are similar to those who in schools or factories gang up against those who work better and harder than they do, in general against those who keep up or raise standards of performance making the rest look like worse performers or forcing them to increase their own standards. Especially when the rewards are insensitive to the quality of performance – e.g. the salary at the end of the month is the same – there is no point producing at H level of quality.

There are certainly elements in common between our case and this case. Agents form a cartel by agreeing to produce L and punish those who produce H for they break the agreement. For anti-stakhanovites as well as for our L-doers, doing L amounts to doing H with respect to their cartel agreement.

However, they differ in two ways: those who join forces to work less and worse are not trading with each other the good that can be produced at L or H, but are producing it for a third party: students aim to get the same degree from the school and workers the same salary from the capitalist at a lower cost to themselves. The anti-stakhanovites do not exchange L goods with one another. Our case is more complex, for L-doers exchange goods with each other even when operating within and for an institution or community. Secondly, in our case the enforcement of L is not explicit but oblique. L-doers do not openly claim to be enforcing L as the anti-stakhanovites do,

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<sup>11</sup> Cf. S. Lukes (1995), *The Curious Enlightenment of Professor Caritat*, London: Verso. We quote here the epilogue that has been added for the Italian version only. Cf. (1997) *Le disavventure del Professor Caritat alla ricerca del migliore dei mondi possibili*, Milano: Mondadori ("Epilogo", p. 282).

they claim that what they do is H and do not openly agree to aim for L. They are part of a *tacit* cartel in which everyone pretends to do his rightful part.<sup>12</sup>

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To what extent is the enforcement of the LL dominance sustained by norms against non-conformists? However motivated, generic conformist norms – such as “Don’t stick your neck out”, “Do as everyone else does” – can reinforce *any* behaviour once it becomes the norm. So, one can expect that, in L-worlds, conformist norms contribute to sustaining the dominance of LL exchanges.

Some conformist norms may have similar motivations to anti-H norms: non-conformists can make others feel bad and trigger spite and resentment (Elster, 1989: 189). Other conformist norms may be driven by preferences: some people could simply resent any manifestation of zeal. They would just dislike H-doers qua H-doers; they would hate do-gooders and punish them regardless of instrumental considerations.

But there are other conformist norms the reason of which differs from anti-H norms. Consider a consequentialist reason: *non-conformists may do the right thing in principle, but without considering the consequences for others*; non-conformists are unconditional perfectionists whose zeal harms the community. An example, discussed in Elster (1989: 193-94), is the disapproval of acts of resistance in German-occupied countries during the Second World War that could cause retaliations against civilians. Some of the reasons invoked as a justification for sanctioning H-doers who complain about L show a preoccupation with the common good: norms 5, 6 and 7 above are invoked not so much in defence of Zamagni as of some higher-order unit, the academic community, the party, the culture, which the zealous whistle blower would damage. Still, these reasons seem disingenuous – merely aping the normative structure of genuine conformist norms. L-doers seem unconcerned by the common good. As we said, when an LL-exchange takes place between people who work for a public institution it erodes the quality of the service and our exchanging characters do not seem to be bothered by this. Our cases can be rather described by a norm of this kind: “*Accept a discount on H that benefits both of us, never mind the public good*”. Those

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<sup>12</sup> In *I’m all right Jack* (1959), a film with a brilliant performance by Peter Sellers playing the part of a trade-unionist, one can see what happens when an accidental H intrudes and reveals that the pace of work in the factory is manifold slower than it could be.



who enter these relationships develop objectives and incentives for cooperation that are in contrast with the objectives and incentives of the institutions they inhabit. Each new LL exchange reduces the chances of HH exchanges in the future.

This L-norm may occupy a conceptual space similar to “amoral familism”, a set of practices and beliefs that E. C. Banfield (1958) identified in southern Italy as being the source of lack of economic and cultural development. In his fieldwork in Montegrano, a fictitious name he coined for a poor southern Italian village of 3,400 people, Banfield explained the extreme poverty and backwardness of the village by a lack of cooperation due to the ethos of its inhabitants of “maximizing the material short-run advantage of the nuclear family” and discounting any moral consideration for the whole community. In our case, we have a similar social norm that encourages people to maximize the short-run advantage of a connivance relation that tolerates side-interests and LL-preferences, while avoiding a form of HH-cooperation, which, while more individually demanding, would be beneficial for the whole community (having a high level of teaching at the university, publishing high quality papers, etc.).

The peculiarity of our case is that people who entertain this norm would not only apply it against H-prone family members who take into consideration the wealth of the community – like families in some developing countries who sanction those of their members who refuse to accept bribes – but also against other members of the community. There might be a sort of disposition to develop amoral-familistic relationships outside the family, with people who become “familiar” thanks to a shared proneness towards LL exchanges. In our case it is the L-disposition that creates the familiarity, whereas in Banfield’s case it is the familiarity that creates an L-disposition.

### *L-indeterminacy*

So far we discussed goods with two levels of quality, H and L. In reality, many goods have more than two levels. In these cases, in which as they say in Torino, “there is not limit to the worse”, how can one party be sure that the ‘discount’ will be matched by a comparable discount by the other party? Namely, how can I be sure that your L is not going to be worse than mine?

A classic case to illustrate this question is the timing of appointments: we agree to meet at 10 when we both know that we will both be late. The question is how late? How can we coordinate so that we both arrive, say, at 10:15? There is an infinite series

of minutes by which one can be late. If each fears to arrive earlier than the other how is one to decide at which minute to show up? In principle this could lead the LL equilibrium to unravel, and no one ever to show up. So what, if anything, keeps it from doing just that?

Occasionally there are higher-order norms that regulate the tolerance in the application of H-rules: the 130 km/h speed limit in Italy comes with a higher-order norm of tolerating + 10 km/h increases. The famous (or infamous) *quarto d'ora accademico* in Italian universities (lessons are assumed to start 15 minutes later than the time announced) is another instance of such higher-order norms.<sup>13</sup> 'Il quarto d'ora accademico' is a *conventional solution* to this problem. But in cases in which conventions do not help how can the LL-dominance survive? How late can I deliver a promised paper? How much less money than I promised can I pay?

Arriving late without good reason in a domain of H-precision signals some degree of untrustworthiness or lack of consideration. In a world in which everyone arrives late, by contrast, arriving late is not a sign of anything. Still, laxness and indeterminacy, typical of L-environments, do not offer unproblematic solace. On the contrary, the indeterminacy as to what is the right L-level is a cause of much anxiety and suspicion in our L-world. Is this 'long' delay a sign that he is cheating or disrespecting me or does he simply have lower L-standards than I do? Will, on the other hand, my long delay become a problem and offend my partner?

This indeterminacy has, we believe, two consequences. First, we can expect a high intensity of communications aimed at negotiating the grey area of L-discounts. People will apologise, re-iterate their promises, call back, profess undying friendship, and at the same time try to understand how low they can push L without losing the bond with the other party. The latter will be laid back, but only up to a point and then start to signal that L is getting far too low for him to bear. A portion of the colossal amount of seemingly inane chit-chat, compliments and mannered interactions in which many Italians engage may perhaps be a manifestation of such frequent need of re-adjusting mutual indeterminate expectations. Second, people will have a strong reason to deal only with people they know well because 'friends' are more likely to know

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<sup>13</sup> The *quarto d'ora accademico* could also be a norm of respect for the professors, who enter the class a quarter past, while expecting the student to be there on the dot, so that by that time everybody have taken their seat and there will be no interruption. Such a norm existed in German universities in the XIX century, as Federico Varese informed us in comments to a previous version of this paper.

each other's unacceptable 'discount rate' and to develop private conventions on just what is the threshold under which L would be unacceptable.

*How can LL dominance emerge?*

Our basic point so far can be summed up thus: if you give me L but in return you tolerate my L we collude on L-ness, we become friends in L-ness, just like friends we tolerate each other's weaknesses. But if you give me H that leaves you free to disclose my L-ness and complain about it. So you are not my friend, I fear and resent you, and if I cannot punish you for producing H, at least I avoid dealing with you. While in an ordinary world it is L-doers who are punished by avoidance and exclusion, in an L-dominated world it is H-doers who are ostracised. Essentially, the L-exchange can be seen as a cartel of mediocrities who pretend to be H.

But how can an L-world emerge? We could be *blasé* about this question, and believe that the most pressing question is rather the opposite one. Wouldn't it be more realistic to think that we are naturally born L-doers, and rather wonder how did we manage ever to feel compelled to produce H? Albert Camus wrote:

This is so true that we rarely confide in those who are better than we. Rather, we are more inclined to flee their society. Most often, on the other hand, we confess to those who are like us and who share our weaknesses. Hence we don't want to improve ourselves or be bettered, for we should first have to be judged in default. We merely wish to be pitied and encouraged in the course we have chosen (Camus, *The Fall*, p. 29).

If such a pessimistic view of humanity were correct, how could we, a least some of us, care for H-ness?

There seems to be two forces that could contrast our supposed natural inclinations to L-ness and promote quality, one is the passion for a job well-done, the intrinsic pleasure found in employing and testing one's skills at some task; the other is competition, succeeding at which carries extrinsic rewards. Generically, these forces fail if the algebraic sum of rewards and punishments for H-ness is lower than the sum of rewards and punishments for L-ness. Even H-prone individuals are ultimately driven to choose L (or to become eccentric and isolated 'perfectionists' or to migrate) if they systematically fail to gain any reward from their effort. In short, L spreads if it

pays off. This remains a tautology, however, unless we can understand the conditions that affect the relative payoffs of H and L.

The payoffs can be tilted in favour of L-ness endogenously, by coalitions of L-doers who join forces to sanction H-doers and to reward each other. In turn, this is frequency dependent: coalitions of L-doers are more likely to emerge the higher the number of “naturally born” L-doers, of real L-types who are smart enough to join forces and gain power. When the number of H-doers is low, H-doers find it harder to meet, interact and reward each other generating virtuous circles. Part of the explanation for the emergence of LL-dominance is endogenous. (This of course begs the question of why Italians should be “naturally born” L-doers and what endogenous conditions may have favoured the thriving of L-doers.)

However, the characters who inspired our story do not operate in the void. They are not engaging in isolated exchanges, but are part of institutions and communities, which themselves can bestow punishments and rewards for H and L. And it is when these do not do that properly and reliably that the right conditions emerge. We can expect L- cartels to develop where either or both following conditions obtain:

- Rewards have a weak sensitivity to H-ness, such as when jobs are ultra-safe, salaries flat, upward mobility has barriers, and friendship-based promotions dominate over merit based ones. The only H-doers left will be those driven by principle, by intrinsic motivations – the inveterate perfectionists.
- Punishments for L-doers are low, or have a low probability of being meted out or are negotiable; where “forgive” dominates “punish”, where, to jest, catholic sanctity fattens skulduggery.

As an example of the second condition, a study on the Italian higher education system (Perotti 2002, 2008) shows that rules and regulations are imposed in an ‘elastic’ way: regulations for recruitment, promotion and incentives are often just a “formality” that can be circumvented. For example, academics at all three levels (“ricercatore”, “professore associato”, and “professore ordinario”) are subject to a trial period of three years, after which they can in principle be denied tenure. All those who have been denied tenure have either been confirmed after one year by a different committee, or have appealed to the administrative court (TAR), which has normally ruled for their reinstatement, even if at times in a different capacity. That is,

punishments for L in principle exist, they are sometimes applied, but one can wriggle out of them: they are negotiable and decried by L-friends as unfair.<sup>14</sup>

This explanation that implicitly advocates meritocracy in selection and rigour in the application of the rules may sound obvious and naïve. This does not make it any less true though; and has the merit of avoiding culturalist accounts. Our focus on Italy, and Italian academia and its surroundings depends on the fact that it is the place in which we have unwittingly collected the evidence of this behaviour. However, we suspect that the behaviour we have been describing is not just a feature of a small unprofessional niche, and that the LL-dominance could be a more widespread phenomenon that emerges wherever those conditions obtain for long enough<sup>15</sup>. And, conversely, niches of excellence do exist in Italy too, wherever the premium on quality of performance is still a palpable force.

### *Conclusions*

Like sickle cells – the classic pleiotropic trait – which cause anaemia but make one more resilient to malaria, the dominance of L-preferences can turn out to be a good thing. This it does under two circumstances.

The tolerance of L-ness can be experienced as flexibility, acceptance of each other's shortcomings and of the unavoidable 'noise' produced by lives subject to conflicting demands. Sometimes it is just that, and occasionally we too take advantage of it: "Italian builders never deliver when they promise, but the good thing is they do

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<sup>14</sup> Cf. R. Perotti (2008) *L'università truccata*, Einaudi, Torino. Again, a literary description of this lack of normative certainty and sloppiness in the application of rules is given by professor Caritat in Lukes' novel: "So institutions are unreal and social life consists in a Great Web of mutual personal indebtedness [...] What keeps this system going? What prevents people from deviating from the expectations of others? It is not trust (since, except within families and among friends, neighbours and workmates, this scarcely exists), or a sense of civic duty (ditto) or loyalty to the state (the state being the citizens' main enemy). Nor is it the prospect of guilt or shame (since this society has neither a guilt nor a shame culture). Perhaps it is the very practice of law-breaking itself. For not only is it very hard not to break laws (since obeying most laws meant breaking others); doing so ingeniously is warmly encouraged and widely, if tacitly, admired. Yet this freedom from legal restraint gave power to the indeterminate class of one's actual and potential enemies, on whom one could count, in suitable circumstances, to denounce any small or large infraction, whose punishment, according to the rigid application of some appropriate statute, would then be inescapable. In this way, not law but law-breaking is the foundation of social order: a game, of universal complicity in which one can only lose by being found out. Complicity oiled by favours and backed by fear. And the more substantial and widespread the complicity, the less real the fear" (1997) *cit.* ed. it. p. 283-84.

<sup>15</sup> Perotti also invokes as a possible explanation a game-theoretic "perverse equilibrium" that could emerge after repeated interactions, in the tacit norms of nepotism: "If A thinks that B will recommend his *protégé*, A will feel obliged to recommend his own *protégé* in order to avoid an unfairness: given that B thinks exactly in the same way, both they will recommend their *protégés* and be convinced to do this for noble reasons" (cf. Perotti, 2008, *cit.* p. 7).

not expect you to pay them when you promise either”, as an American friend who had a house renovated in Italy said. L-tolerance may have positive consequences when no public good is involved: the discount both parties accept may at most be at the expense of the credibility of their promises rather than of those of an institution. And indeed we could mention many positive anecdotes of Italian flexibility in dealing with unexpected situations, in jointly outwitting a rigid application of silly rules, and in coping with the wanderings of everyday life. This can at times make social life in Italy pleasantly relaxed.<sup>16</sup>

An altogether more dramatic positive effect of L-proneness can be found in those cases in which the H-standards happen to be morally repugnant. The grand example of Italian flexibility in this regard is the lenient application of the Fascist racial laws in the late Thirties, which resulted in a more humane treatment of the Jewish population by Italians, than, for example, by French Petainists, Croatians, and of course German Nazis<sup>17</sup>. Lack of zeal, and lack of zeal in denouncing other people lack of it, was indeed a blessing in this case. Italians have often shown a capacity for resisting questionable authority by means not of high principles but low L-instincts.

If there really is a higher frequency of naturally born L-doers among Italians, it could find an explanation in these examples. We can conjecture that a “good” historical origin of the practice was as an adaptive response to oppressive norms imposed by the many colonizers of the country throughout its history. Perceived as unacceptable, whether for financial, moral or cultural reasons, they may have been resisted or circumvented by the ability of the dominated population to pay lip service to them – the H-rhetoric – while at the same time covertly colluding in flaunting them.<sup>18</sup>

Whatever its origins, the cost of the L-propensity is proving overtime more detrimental than helpful – flexibility shifts to laxness, tolerance to sloppiness, and confusion to breaches of trust – and standards in Italian education, politics, media and

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<sup>16</sup> “Une dose d’inefficacité et une grosse pincée de corruption ont empêché que les Juifs italiens connaissent le sort de leurs coreligionnaires allemands” Kaspi (1997 : 293).

<sup>17</sup> See L. Poliakov (1951). An interesting representation of this mixture of good-heartedness and sloppiness of Italians can be found in this quotation of the French historian and playwright Philippe Erlanger: “un régiment italien defile sous nos yeux ... Ah! Ces plumes de coq que je me raproche d’avoir betement plaisantées ainsi que d’autres! Elles figurent la colombe de l’arche” (Philippe Erlanger 1974: p. 246) (Thanks to Vittorio Girotto for this reference).

<sup>18</sup> A different form of resistance to power is epitomised by *The good soldier Švejk* – the hero of Jaroslav Hašek’s humorous classic novel – whose tactic consists of applying to the letter, and thus unimpeachably, the inept norms of the army authorities bringing about catastrophic consequences.

cultural creativity in general, although blessed by the occasional geniuses, have never risen and have quite possibly declined further. One does not need to be an incurable perfectionist to appreciate how sadly this is the case.

An implication of this paper is that the threat to good collective outcomes is not just free-riding. There are subtler ones. The L-world we described is not an extra-normative one populated by isolate individual predators free to roam around, but one governed by its own ‘perverse’ *social* norms. The social sciences have focused on cooperation and on the social norms that sustain it while narrowly conceiving of anti-cooperators as individualistic predators, acting free of normative constraints. Social norms, in the dominant interpretation, would exist as an antidote to our natural antisocial proclivities. The interest of our case is to suggest that this distinction does not stand up, and that those whom we think of as free-riders too operate within a normative structure – a special “cement of society” that glues L-doers together to the detriment of the common good.

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