Chwe, Michael Suk-Young: **Rational Ritual:**
Culture, Coordination, and Common Knowledge

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What do rationality and ritual have in common? Nothing, many social scientists would probably spontaneously answer, and by no means only organization and management researchers. Perhaps they would add that rituals as collective practices are anchored in the cultural system (of an organization) and in a sense form the opposite pole to individual and rational action. Those from the anti-rationalist fraction might add that the imperialism of "rational choice," which now must include rituals so as to not lose explanatory power, is yet another indication of the degeneration of this paradigm. Perhaps the prejudicial structures vis-à-vis the "myth of rationality" in general and the image of the "rational organization" have rigidified to such an extent that the exchange of rational arguments is no longer of any use. If not, Michael Chwe's *Rational Ritual* would be a text that could fertilize the debate between representatives of rational choice and other social scientific currents, or at least help get the discussion going again.

Michael Chwe begins his argument with a few harmless everyday observations. Let us presume that you and I are colleagues and have agreed to do something together after work. On the way home, we are in the same bus, but the bus is absolutely overfilled. In the course of the trip, we are separated by new passengers and lose sight of one another. As we pass a bus stop, I see a shared friend standing on the sidewalk; that friend then calls to the two us that we should both get off the bus to have a beer with him. I know that the three of us would have wonderful evening, and that you too would enjoy the three of us going out together. A good opportunity. But I don't know if you also saw or heard our mutual acquaintance, and it would unpleasant not to spend the evening together. What should I do? Should I get off the bus?

In the language of game theory, this is a coordination problem. The participating actors would participate in a shared action if others were to participate as well. Thomas Schelling already formulated this problem in 1960, while David Lewis (1969) developed it for the social sciences and Robert Aumann provided its mathematical formulation in 1974. Michael Chwe follows these pioneering works and applies game theory analysis to a core problem of social scientific theory: communication. "Successful communication sometimes is not simply a matter of whether a given message is received. It also depends on whether people are aware that other people also receive it" (p. 9). How shared knowledge can be generated in social communication is the subject of this book.

Michael Chwe initially only sketches out his argument, then illustrating and exploring various fields of application in the second chapter. Under the keyword "ceremonies and authority", he treats the classical case of hierarchical coordination. Content and meaning, the dominant aspects often mentioned for solving the coordination problem, are accordingly not unimportant in explaining and stabilizing authority. The decisive point, however, is that publicity is the sufficient condition for the creation of

shared knowledge. Rituals, the public repetition of formulas, the embedding of communication in shared activities like song and dance, make it possible for every participating individual to be sure that the others can understand and that "shared knowledge" is created. This argument also explains why meeting rooms, board meetings, or forums are often arranged in a circle. Each participant can see all the others, and if necessary confirm that a bit of information has reached his or her counterparts. While in this discussion, the author takes recourse to classical examples from the social sciences and cultural anthropology, he explains the informal aspects using the film *On the Waterfront*. In this film, Elia Kazan uses the situation of "inward facing communication" as a dramaturgical element. As they see no way out of the regime of corrupt union bosses, the hopeless dockworkers just look past one another. But in the moment of collective action—a funeral—Kazan arranges the workers in the form of concentric circles, like spectators in a Greek amphitheater.

Two further sections of the book are dedicated to contemporary marketing. In the chapter "Believe the Hype", Michael Crew analyzes the functional mechanism of marketing for goods whose value is first established when they are used by many. He illustrates this by using classical campaigns from the 1920s for Listerine, a mouthwash, theater and film productions, as well as contemporary examples such as the introduction of computer hard or software or advertising at the time of the best common knowledge generator in the United States, the Super Bowl.

Social brands e.g. communication goods, films, or other consumer products like beer: the purchasers would like to ensure that they provide a brand that the guests like, are the most frequent. In this context, Michael Chwe also examines the costs of television advertising, and establishes that more money is paid for social goods in multivariate TV spots than for nonsocial brands. With business applications of the argument in mind, these are surely highly important passages. On the other hand, the examples stand on weak footing, because the classification in social and non-social goods would have needed a more grounded analysis than merely anecdotal argumentation.

More interesting in my view are the illustrations on the significance of strong network links for the formation of common knowledge and functioning of Bentham's panopticon. But these sections are too are brief, and only focus on the core of the argument. Nonetheless, in his analysis Michael Chwe can refer to several classical analyses on various forms of social capital and the architecture of surveillance, allowing him to abbreviate the presentation without losing relevance in the application of game theory's coordination problem.

The book's third chapter returns these more or less anecdotal examples back to the core of social scientific theory formation. Michael Chwe explains competing explanations, engages more intensely with the question of meaning and content, and discusses the meaning of history, path dependencies and the construct of group identity, relevant in social psychological terms to the formation of common knowledge. An appendix provides a formal elaboration of the argument.

Irrationality of ritual is a myth that the social sciences—to not reach further back in the history of philosophy—owes to Vilfredo Pareto's (1935) distinction between

sociology and economy, in my view a rather unfortunate distinction that had many consequences. In subsequent years, many authors have argued using Lévi-Strauss (1963) or Goffmann (1969)—who are often falsely placed in the anti-rationalist camp—for the application of game theory as an instrument to illuminate the structures of social interaction. For good reason: classical and contemporary individualistic social theory is about explaining and on the other hand "understanding" social action, or more precisely, individual situations of action. Max Weber (1922) argued that myth and reality should not be separated from the realm of everyday behavior, but their instrumental character as a point of understanding. Michael Chwe's work stands at the center of the tradition, and his book can be recommended not only to friends of game theory.

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