Behavior and Socio-Economic Development: An Interdisciplinary Perspective

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Abstract

Why do people engage in bad behavior? Are people inherently evil? Is human nature inclined towards unethical behavior? Or are the causes of bad behavior external to the self? This paper employs an explanatory research design to provide descriptive explanations as to why people might engage in bad behavior by examining views from different disciplines such as philosophy, psychology, ethics, theology, and economics. The paper finds that people engage in bad behavior due to the duality of human nature, cognitive inefficiencies, psychological tendencies, bounded rationality, and having a poor regulatory focus. In summary, consensus is lacking among scholars within and across disciplines as to what constitutes bad behavior, as well as a lack of consensus as to why people might engage in such behavior – this in turn contributes to a lack of a theoretical framework which properly defines what constitutes bad behavior and how, and whether, it is quantifiable.

Keywords: Bad Behavior; Development; Ethics; Interdisciplinary; Philosophy; Unethical Behavior

1. Introduction

Why do some nations prosper whilst others falter? Why do some nations which share the same culture, language, religion et al. are well developed, whilst others are significantly underdeveloped? What are the primary drivers of socio-economic development? These are some of the questions which many scholars throughout history have attempted to address – from here on forward, socio-economic development and development will be used interchangeably. There are various studies and subsequent theories and hypotheses as to why some nations are more developed than others. One such hypothesis is in regard to the significance of economic freedoms to the development of nations. Scully (1992), for example, posits that, regarding economic, civil, and political freedoms, "...relatively free countries are found to grow at three times the rate and are two and one-half times as efficient economically in transforming inputs into national output as countries in which freedom is relatively absent". These views are shared by Doucouliagos et al., 2006; Williamson et al., 2011; Hussain et al., 2016; Brkić et al., 2020; among others. Another hypothesis is how corruption is negatively and significantly related to a country’s level of development. This view is shared by Mo, 2001; Akçay, 2006, among others. Akçay (2006) for example states that "Corruption is responsible for low economic growth, less foreign and domestic investment, high inflation, currency depreciation, low expenditures
for education and health, high military expenditures, high income inequality and poverty, less tax revenue, and high child and infant mortality rates". Another hypothesis on why some nations are less developed relative to others is in regards to the level of political instability. This hypothesis is based on Alesina et al.’s (1996) seminal study and is widely accepted by many scholars. The bottom line is that there are many well-cited and widely accepted hypothesis as to why some nations are more developed than others. Some hypotheses are more conventional, relating to macroeconomic, social, and political causes such as exogenous growth theory, the importance of institutions and the role they play in development, natural resource endowment, endogenous growth theory, government type, the level of democracy, among others. On the other hand, some hypotheses are less conventional, such as Al Attas’ (1978) ‘loss of adab’ or confusion and error in knowledge hypothesis, as well as Ibn Khuldon’s (2004) ‘Assabiyah’ or social cohesion as discussed in ‘Al Muqadimah’ or ‘The Introduction’.

This paper proposes another hypothesis which can be considered less conventional and yet can be regarded as the culprit for many of the factors or phenomena which hinder development. This hypothesis states that some nations prosper whilst others falter due to the engagement of its individuals in development hindering behavior, which when aggregated, leads to the poor development of countries as their institutions are caught in this domino-like effect of bad or development hindering behavior. And when these institutions stumble or fall, so does the country and its wheel of development.

The hypothesis that some countries are more developed than others due to individual culpability has not been properly studied. A primary reason for this is due to the lack of a theoretical framework which properly identifies what is considered development hindering behavior and how can one quantity such behavior. As such, and to test such hypothesis, a theoretical framework must first be developed which provides the basis for studying such a phenomenon. To develop such a framework, one must first elaborate upon what constitutes bad behavior, what is meant by development, and how do the concepts of behavior and development converge. This study focuses on the former, i.e., behavior, and adopts an interdisciplinary approach to identify the different definitions of bad behavior, provide explanations as to why people misbehave, and show that a lack of a theoretical framework can be attributed to a lack of consensus as to what constitutes bad behavior and why people engage in such behavior.

This research seeks to accomplish this task by discussing bad or unethical behavior from the perspective of the fields of philosophy, psychology, ethics, theology, and economics. By doing so, even if one simply scratches at the surface of these fields, it should become clearer as to why people might engage in behavior which might harm their own utility and the utility of others. This objective has many benefits, one of which is that it can help in the process of deterrence in the form of policy formulation. In summary, due to a lack of a properly defined theoretical framework which facilitates for the study of the impact of individual and institutional behavior on development, it is necessary to start at the beginning, and that is, properly define what constitutes bad behavior, and elaborate upon what is considered bad or unethical behavior from the perspective of various disciplines – and that is the purpose of the upcoming text.

2. Methodology

The paper adopts an explanatory and descriptive research design. Explanatory research begins with a general and wide research scope and ends with a specific and narrow research scope. Its benefit is that it facilitates for a better understanding of a not-well understood problem. Its purpose is to provide more information for future studies, i.e., new hypotheses, relevant theories etc. In short, explanatory research serves as a precursor for future research. The descriptive design is an extension of the explanatory design (Saunders et al., 2009). The descriptive methodology involves exploring various fields such as philosophy, psychology, theology, ethics et al., to provide explanations as to what constitutes bad behavior, and why people choose to engage in such behavior. The benefit of an
interdisciplinary approach to research is that it provides a holistic perspective of the phenomenon being studied. In the case of this study, this can facilitate in the development of a theoretical framework which can define and quantify behavior within the context of development. In summary, explanatory and descriptive research design are the most relevant and useful methodologies to study the relationship and impact of behavior on development since it is a relationship that is poorly understood.

3. Research Findings

Many philosophers have commented on the subject of bad behavior. Many of which have attributed it to the nature of man. To elaborate, philosophers tend to side with one position or the other – human nature is characterized by good qualities vs. human nature is characterized by vile qualities. To elaborate, writing in his book "De Cive", or Latin for "On the Citizen", Hobbes (1642) paraphrased and popularized the phrase Homō homīnī lupus – Man is a Wolf to Man. Hobbes utilizes this phrase to reflect his views on the nature of man without a civil society, the life of man in the state of nature, a life that is "fierce, short-lived, poor, nasty" (Hobbes 1642; by Lamprecht, 1949), due to man engaging in "a war of all against all" (ibid, 1949). Hobbes (1642) posits that there is no such thing as good or bad behavior, and man is not inherently evil but inherently selfish. Freud (1930) agrees with the aforementioned proverb, commenting on the nature man as being driven aggressive sexual desires, and the relationship between the individual and society are controlled by these primitive urges. Bernard Mandeville (1729) is also of the opinion that humans are morally compromised creatures. Mandeville believes that except for acts of Christian virtue assisted directly by God, “all human actions are vicious and morally compromised” (Vandenbergh et al., 2021). Regarding bad behavior, which Mandeville referred to as ‘vice’, he is of the opinion that such behavior can lead to positive economic benefits; virtue, on the other hand, according to Mandeville, reaps no economic benefits. On the other hand, Rousseau (2009; 2011) disagrees with the proverb, viewing human nature in a positive light. Moreover, he argues that humans are good by nature but are corrupted by society. Butler (1736) also disagrees with the proverb, positing that that it is in the nature of man to be benevolent, desire happiness, pleasure, and self-love. Moreover, he believes that self-love and benevolence are complimentary traits of human nature, and by engaging in good behavior, not only is one doing justice towards oneself, but towards society as well. Regarding Mandeville's views on vice, Butler does not agree that bad behavior leads to positive returns, positing that is a deviation from the nature of man. Al Attas (1978) comments that Christianity developed its system of rituals by the assimilation and misapplication of other cultures and traditions such as that from Greek Philosophy. Since previous paragraph concluded with the views of Butler, a Christian theologian influenced by Plato and Aristotle, it is only natural to explore some of the views of Greek philosophers such as Plato, Socrates, and Epicurus on the nature of man. Plato’s views on human nature concerned itself more with the soul and its rationality, rather than the inherent nature of man. In regard to the inherent nature of man however, Plato writes in “Phaedo” (360 BC; 1911), that people are either good, or bad, and most are in between. Socrates believes that no one commits a wrongful act on purpose, as those who choose to misbehave must be doing so because they were not able to identify what was the right way to behave. Regarding those who do engage in bad behavior, Socrates does not believe that they should be punished, but should be educated instead. Epicurus was not very clear on the inherent nature of man, i.e., are people naturally good or evil, but what he did preach is that morality does not tie into virtues but is rather rooted into the consequences of our actions – i.e., consequentialism. Aristotle’s beliefs on human nature were shaped by his ontological and epistemological beliefs which clashed with the beliefs of Platonists. To elaborate, Aristotle’s ontological beliefs focused on the physical objects and not the forms. Regarding his epistemological beliefs, Aristotle believes that experience is the true source of knowledge, and not the soul. The likes of Aquinas, Locke, and Hume adopted Aristotle’s beliefs, and with time, the priori belief that man was a rational being and knowledge was innate was replaced by the position that knowledge is gained
by experience and observation. This eventually led to the disenchantment of nature (Al Attas, 1978) and diminishing the importance of the intellect as the ultimate source of knowledge. This clash between the ontological and epistemological beliefs of Greek philosophers influenced the views of many western philosophers hence why there is a clear divide as to the nature of man.

Moving on from western philosopher to eastern philosophers, there are six prominent schools of thought in Ancient China: Confucianism, Daoism, Legalism, Mohism, School of Names or Logicians, and the School of Naturalists or Yin-yang (Sima, 1993). The study will not elaborate on the philosophical views of each school of thought, but rather provide mere examples of these views and their respective authors. According to legalists, people are evil, selfish, greedy, materialistic, and covetous (Duyvendak, 1928). Moreover, they believe that human nature cannot be changed, through education or otherwise. According to Confucianism, morality is imbedded into the nature of man, and that man is a moral being who has free will to engage in good or bad behavior. There are three prominent philosophers who contributed to the development of Confucianism – Confucius, Mencius, and Xunzi. Mencius agrees with Confucius on the moral nature of man, adding that people share an innate goodness which can either be “cultivated through education and self-discipline or squandered through neglect and negative influences” (Richey, 2021). Even though Mencius and Xunzi belonged to the same school of thought, they disagree on the nature of man as Xunzi argues that human nature lacks an internal moral compass, and that human nature is bad but is not incorrigible (Elstein, 2021). Moreover, whereas Mencius believes that education and self-cultivation can develop one’s character, Xunzi believes that one’s natural traits should be reformed and not developed. In summary, there is a lack of consensus as to the nature of man and why he might engage in bad behavior.

From a theological perspective, exploring the views of Christianity, Judaism, and Islam on human nature, Saint Augustine (2001), a 4th century catholic theologian and philosopher, posits that when God created man, he was created without fault. That said, he argues that man’s perfect nature was lost when Adam disobeyed God, and this gave to ‘Original Sin’. The concept of original sin is highly controversial within Christian doctrine, as many believe that the idea that everyone is born sinful, and it is in our nature to disobey God and engage in bad behavior is a ridiculous notion as God would never burden our souls with such a dishonorable trait. Alexander (2014) states that ‘Epistle to the Romans, the sixth book in the New Testament, does not refer to sin as being inherited from Adam, but rather develops from our own bad behavior. In summary, there is a difference of opinion as to whether human nature is inherently good or evil in Christianity. That said, the most widely accepted, yet controversial concept, is the concept of original sin developed, if not simply popularized, by Augustine. Regarding Judaism, human nature is inclined to do both good and evil, the inclination to engage in good behavior is known as ‘Yetzer Ha-Tov’, whilst the inclination to engage in bad behavior is known as ‘Yetzer Ha-Ra’. The duality of human nature is a widely accepted doctrine in Judaism, and is not only accepted, but embraced as well as according to rabbinic tradition, as it is viewed that the good and evil inclination of human nature are necessary to achieve balance and bring one closer to God (Bokser, 1989). Regarding Islam, there are three primary beliefs on human nature: neutral view, dual view, and positive view. The neutral view places great emphasis on the concept of free will, accepting that people are born to a state of nothing, i.e., neither good nor evil, whilst rejecting the predeterminist belief that God is responsible for our own bad behavior (Mohamed, 1996). The dualist view is considered a modern school of thought on human nature as it was developed in the 20th century, and it is a view held by Muslims who are actively involved in the revolutionary trend among contemporary Islamic movements (Ibid, 1996). Partisans of dualism believe that human nature has both innate goodness and evil. This dual view of human nature is also held western scholars such as Durkheim (1914), referring to it as ‘Homo Duplex’, and positing that as biological organisms, we are driven by our instincts, whilst as social organisms, we are driven by morality and other drivers of society (Paoletti, 2012). The positive view on human nature, which is the most widely accepted view by Muslim scholars, posits that human nature is intrinsically good. In summary, different religions have different views on the nature of man. What is common between religions however is the epistemic position on human nature and behavior.
Regarding the field of psychology, there is an extensive body of work on the topic of psychology of bad or unethical behavior – the most influential include but are not limited to Messick (1995, 1996), Tenbrunsel et al. (1996), Higgins (1996, 1997), and most recently Gino et al. (2011a, 2011b). The main takeaway from these studies is that people engage in good or bad behavior due to psychological tendencies (Messick et al., 1996). To elaborate, the authors state that individuals are keen to view themselves in a positive image, i.e., honest, trustworthy, ethical etc. As such, they engage in good behavior to maintain that image (Allport, 1955; Rosenberg, 1979). Schlenker (1982) and Tajfel (1982) add to this argument by stating that people engage in good behavior so that they feel good about themselves – this is known as ‘self-view’ theory. Regarding bad behavior, and as aforementioned, Messick et al. (1996) find that people engage in bad behavior due to psychological tendencies. Such tendencies include overconfidence, omnipotence, & poor awareness etc. On behavior and psychological tendencies, Higgins (1996, 1997) states that behavior is directly proportional to one’s regulatory focus. To elaborate, regulatory focus can be defined as “one’s disposition toward either obtaining gains”, i.e., promotion focus (Gino et al., 2011a), “or avoiding losses”, i.e., prevention focus (Ibid, 2011a), and how it “influences one’s dominant motivations, which in turn affect one’s behavioral choices” (APA, 2021). Furthermore, Higgins (1996, 1997), Gino et al. (2011a), & De Bock et al. (2010) all agree that one’s regulatory focus is what leads people to behave the way they do, i.e., for individuals who have a promotion focus, a previous engagement in an unethical behavior facilitates their engagement in future unethical behavior. Lastly, the authors contend that when people, of both promotion and prevention focus, resist the temptation of engaging in bad behavior, they consume their regulatory resources, i.e., self-regulatory resources which “govern controlled and regulated responses” (Vohs, 2006), and as such, are more likely to engage in future bad behavior. Besides psychological tendencies and regulatory focus, Bazerman et al. (2012) suggests that people are simply oblivious to the fact that they are engaging in bad behavior – i.e., bad behavior is unintentional. To elaborate, Bazerman et al. (2004), Chugh et al. (2005), Gino et al. (2009), and Bazerman et al. (2011) posit that people are ‘boundedly ethical’, i.e., they engage in behavior which they would normally condemn. If that is the case, why do people who are supposed to be boundedly ethical engage in bad behavior? The answer to that according to Wegner (2002) is due to the “limits of the conscious mind”, or cognitive limitations according to Williamson (1985). In summary, the field of psychology follows in the steps of Aristotle and comments on the nature of man, and why people behave the way they do, from a purely scientific perspective based on observations. The findings of perspective find that people engage in bad behavior due to psychological tendencies, poor regulatory focus, and due to the cognitive limitations.

According to bad behavior and ethics, several ethical frameworks exist which explain what exactly constitutes bad behavior. To elaborate, philosophers divide ethics into three primary areas: metaethics, normative ethics, and applied ethics (Fieser, 2021). Metaethics centers on the origins, and meaning of, man’s ethical principles. Normative ethics centers on behavior and moral values, i.e., what is morally right and what is wrong. Applied ethics centers on more contemporary ethical issues, i.e., war, capital punishment, animal rights etc. The upcoming text will discuss some of the most prominent western ethical frameworks and their definition of bad behavior. Relativism adopts an epistemic position which posits that ethical values are relative, i.e., they differ from one society, from one culture, and one time, to another (Sturgeon, 1994). As such, if one’s epistemic position is that of relativism, then according to their beliefs, bad behavior is subjective. Divine command theory is an ethical theory whose belief system is based on monotheism. According to this theory, what is considered ethical, or otherwise, depends on what is commanded by God; as such, this theory is pretty straightforward relative to the other ethical frameworks. Teleology and deontology pertain to the normative ethical framework (Hursthouse et al., 2018). Teleology is a moral belief system which posits that actions can be judged either good or bad depending on their consequences, i.e., consequentialism (Spielthenner, 2005). Whereas deontology is a moral belief system which postulates that actions are either good or bad in themselves, i.e., non-consequentialism (Ibid, 2005). Regarding behavior from a teleological perspective, as long as an action produces positive consequence, then it
should be considered good behavior. If an action results in negative consequences, then it should be considered bad behavior. As such, behavior from a deontological perspective is quite straightforward, a behavior is considered bad even if it results in positive outcomes. The virtue ethical framework focuses on the merits of an individual's character to define moral behavior (Ferrell et al., 2009), and specifies what is right or wrong based on “specific traits and values every person must follow” (Al Aidaros et al., 2013). Regarding virtue ethics and bad behavior, the theory concerns itself more with what makes a person good or bad over what makes an action good or bad, i.e., more focus on the virtues, and less on the behavior (LaVan et al., 2008). After elaborating upon how the classification of bad behavior is contingent on the adopted theoretical framework, the text will now discuss the different ethical theories which attempt to explain why people misbehave. There are various theories of unethical decision making – the most prominent being that of Kohlberg (1969, 1984) and Rest (1986). According to James (2015), the commonality between these theories is rationality, i.e., people are rational when making ethical judgement. This, however, is a position which is refuted by James (2015) who posits that people do not always make rational decisions, i.e., bounded rationality, as well as Sen (2009), who argues that there is a distinction between what is rational and what is reasonable, i.e., people might engage in bad behavior because it seems reasonable to them even though it is irrational to do so – this is what Sen refers to as “good reasons” vs “critical scrutiny” (Ibid, 2009). Another author who refutes the rationality argument is Haidt (2001) who argues “that moral reasoning does not cause people to behave morally”, but rather “moral judgments are usually made intuitively. In summary, the there are various theories in the field of ethics to explain why people engage in bad or unethical behavior. The main takeaway from these theories is that people are rational beings, meaning that people are aware they are engaging in bad behavior. In summary, there is a lack of theoretical consensus as to why people, who might be good otherwise, might engage in unethical behavior. The primary reason for that according to Bazerman et al. (2012) is due to the debate as to whether “conceptual models of ethical decision-making should be normative”, i.e., emphasize on how one should behave when faced with an ethical dilemma, or whether “the models should be descriptive”, i.e., emphasize the behavioral circumstances which impact individual behavior (Ibid, 2012). James (2015) adds to the aforesaid position by stating that as long as the theoretical consensus remains unclear, the empirical evidence will subsequently be unclear as well. The reason for discussing the various facets of the western ethical framework is to point out that the presence of several theories and subsequent definitions as to what constitutes bad or unethical behavior does more harm than good as a lack of unified definition leads to confusion and conflict. As such, the first step of identifying what constitutes good or bad behavior begins with a properly defined theoretical framework, and the absence of such a framework is the absence of meaning for the behavior.

The belief that man is a rational being is not only accepted by philosophers and ethical theorists, it is also accepted by classical economists. According to classical economists, the ‘Homo Economicus’, or the economic man, is a self-interested economic agent who is always seeking to maximize his utility by making calculated and rational decisions. The concept of the economic man is believed to be at the center of modern economic thought, and the foundation of economic theory (Kargol-Wasiluk et al., 2018). The position that the economic man is always making rational decisions is refuted by Grampp (1948) who argues that he is not a perfectly rational being. Moreover, the author comments that the economic man is not solely concerned with self-interest and wealth accumulation with complete disregard to the wellbeing of others. In summary, the widely accepted position on the economic man is that he is a self-interested individual (Smith, 1776) who only cares about maximizing his utility. If that is the case, the consensus among classical economists is that he is a rational being. Grampp (1948) does not agree with this notion however, positing that the economic man is not completely rational, and he does in fact care about the wellbeing of others. Regarding the economic man and behavior, he is either a rational being who intentionally engages in bad behavior because he is selfish and is seeking to maximize his well-being even if it is at the expense of others, or he is an irrational being, who although self-interested, will not engage in behavior which harms the
utility of others. The bottom line is that classical economic thought has contributed to the selfish and greedy behavior of individuals and institutions today by normalizing and encouraging behavior which promotes maximizing well-being without emphasizing that it is essential to keep the well-being of others in mind.

Behavioral economists refute the claim that people are rational beings who always engage in behavior which maximizes their utility. To elaborate, the primary reason why people engage in bad behavior according to behavioral economists is attributable to bounded rationality theory, i.e., people do not always make rational decisions (Kahneman, 2003). The primary rationale behind this belief relates to prospect theory, developed by Kahneman & Tversky (2013), which postulates that people engage in behavior depending on the situation and context. Behavioral economists also support the argument that people engage in bad behavior due to bounded rationality and cognitive limitations, particularly due to errors in the decision-making process (DellaVigna, 2009). According to the author (Ibid, 2009), and Laibson et al. (2015) as well, the reason why individuals make such errors is due to complex situations, non-standard preferences, and non-standard beliefs. In summary, the field of behavioral economics is more concerned with whether an action is bad, unethical, or otherwise, it concerns itself with addressing the question why people misbehave, i.e., the nature of the behavior is already classified. This focus on the action itself rather than classifying the behavior shows the practicality of the field in tackling the phenomenon at hand, i.e., how does behavior impact development, and how it can serve as a point of departure when attempting to develop or identify theoretical, conceptual, and methodological frameworks to study the impact of behavior on development.

3.1 Summarizing the research findings

According to the fields of philosophy, theology, psychology, ethics, and economics, there is a lack of consensus as to what constitutes bad behavior, and why people might engage in such behavior. This lack of consensus can be found across and within disciplines. The primary reason for the mixed findings is due to differing epistemic positions and worldviews. To elaborate, scholars who adopt the Platonist epistemic position of knowledge posit that the nature of man is innate. Those who adopt the philosophy of Aristotle adopt an epistemic position which focuses on experiences rather than the innate nature of knowledge. This epistemological departure led to the disenchantment of nature and the secularization of knowledge from the intellect. This in turn led to schools of thought which departed from ethical norms, where behavior became more subjective and less tied to ethical frameworks such as divine command theory. This can be considered a ramification of secularization, or a product of modernization – depending on who you ask. As such, and due to the forestated, there has been a constant struggle to provide a unified, and generally accepted definition of bad behavior. Regarding the question why people misbehave, the research finds that people engage in bad behavior because it is in their nature, due to psychological tendencies, cognitive limitations, bounded rationality, and having a poor regulatory focus etc. The findings of the interdisciplinary literature review are summarized in Table 1:

Table 1: Causes of bad behavior from the perspective of various fields

<table>
<thead>
<tr>
<th>Field</th>
<th>Findings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Western Philosophy</td>
<td>Man is selfish; morally compromised; corrupted by society.</td>
</tr>
<tr>
<td>Eastern Philosophy</td>
<td>Lack of an internal moral compass; Human nature is bad.</td>
</tr>
<tr>
<td>Theology</td>
<td>Human nature has vile traits; Duality of human nature.</td>
</tr>
<tr>
<td>Psychology</td>
<td>Psychological tendencies; Regulatory focus; Cognitive limitations.</td>
</tr>
<tr>
<td>Ethics</td>
<td>Bounded rationality.</td>
</tr>
<tr>
<td>Classical Economics</td>
<td>Self-interest.</td>
</tr>
<tr>
<td>Behavioral Economics</td>
<td>Bounded rationality; Cognitive limitations.</td>
</tr>
</tbody>
</table>
4. Discussion

Exploring bad or unethical behavior from an interdisciplinary perspective facilitates for a better understanding of the phenomenon, allowing one to confidently answer questions such as ‘why do people engage in bad behavior to begin with’. That said, the literature review findings indicate that bad behavior is not properly defined, which in turn leads to a lack of consensus as to what constitutes bad behavior, which subsequently leads to theoretical shortcomings. The reason why bad behavior is not well defined is because of differing epistemic positions and worldviews. Consequently, this means that bad behavior is subjective to the ethical, religious, or theoretical framework adopted. It is also subjective to time and place. Whilst it is objective by the rules of God, i.e., divine command theory, it is subjective to the accepted and adopted religious domination. Moreover, bad behavior is also subjective by cultures and norms, i.e., bribery although prohibited by most countries, is also considered an acceptable social norm in these same countries. As such, before one can define or categorize behavior as ‘good’ or ‘bad’, a transparent and static framework, static as in objective and not changed upon whim as one sees fit, must be first established which clearly defines what constitutes good or bad behavior. Such frameworks exist in the form of local, state, federal, and religious laws, but such laws are not always universal, hence why bad or unethical behavior is subject to time, place, and context.

Regarding context, and within the scope of the development of nations, one can categorize good and bad behavior by identifying from theory and literature what are the drivers of development, and the behavior which fuels these drivers should be considered good behavior, and the behavior which impedes these drivers should be considered bad behavior. For example, any behavior which restricts economic freedoms (Scully, 1992), leads to corruption (Mo, 2001), contributes to political instability (Alesina et al., 1996), hinders the application of the rule of law (Luong et al., 2020), leads to social dissension (Max Weber, 1958; Ibn Khuldon et al., 1967; Fukuyama, 2001), leads to poor knowledge creation (Pinto et al., 2020), and leads to a high environmental footprint (Azam et al., 2016), could be considered development hindering bad behavior, and any behavior which is the anti-thesis of the aforementioned could be considered good behavior. The foretasted are but mere examples from literature as to what constitutes bad behavior within the context of development, but they do serve as a starting point for developing theoretical and conceptual frameworks to study the impact of behavior on development.

On how behavior can impact development, bad behavior can start with the individual, and through an aggregated and domino effect, grow into an unstoppable force which can lead to the fall of nations through the corruption and demise of its institutions if not addressed early. When individuals engage in bad behavior and go unpunished, others are encouraged to do the same. When more and more people engage in bad behavior, it spreads through society like poison. As such, it is imperative to not only impose punishments on those who engage in such behavior, but also have deterrents in place. Such deterrents include the application of the rule of law, educating individuals on the consequences of such actions, or even nudging them towards development promoting behavior and away from development hindering behavior. In summary, unreprimanded bad behavior of individuals can spread like wildfire and infect others. When it spreads, the aggregating effect of such behavior can affect a country’s institutions, and when the country’s institutions which are responsible for a country’s well-being are affected, the fall or demise of such country is inevitable – and hence why behavior is a such an important and yet negligible variable in the study of the factors which lead to the rise or fall of nations and should be investigated further.

5. Conclusion & Future Research

In the conclusion of this paper, and to reiterate what is meant by bad behavior, within the context of development, this research is of the position that bad behavior, whether intentional or unintentional, is any behavior which leads to public harm, i.e., any harm or damage done to the economic, social, political, health, educational, and environmental aspects of a modern society; this could be shortened to any act or behavior which hinders development.
The paper finds that people engage in bad behavior due to a multitude of reasons according to the various disciplines studied. People engage in bad behavior because it is in their nature as human beings, as human nature is not only dualistic in nature, i.e., characterized as having both good and evil inclinations as posited by various scholars, but it also corruptible. In addition, people engage in bad behavior due to cognitive inefficiencies and the inability to recognize that they are engaging in such behavior. Furthermore, people also engage in bad behavior due to psychological tendencies, in other words, different people have different traits which make them more susceptible to engaging in bad behavior, i.e., people who are more ambitious, characterized by having a promotion focus, are more likely to engage in bad behavior. Moreover, people engage in bad behavior due to having a poor regulatory focus, which can also be interpreted as being weak-willed. Also, people engage in bad behavior due to bounded rationality, in other words, people are not entirely rational beings despite what classical economists have to say. In summary, there are various reasons as to why people engage in bad behavior, but there is a lack of a general consensus among scholars within and across disciplines as to what constitutes bad or unethical behavior, as well as a lack of consensus as to why people might engage in such behavior – this in turn contributes to the lack of a theoretical framework which properly defines bad or unethical behavior and how, and whether, it can be measured.

Regarding behavior and development, this research opines that to better understand why people would engage in development hindering bad behavior, it is necessary to study bad behavior from the perspective of various disciplines, as this research has attempted, and not merely from a classical economics perspective. That said, it is not merely sufficient to study and understand the causes of bad behavior from a descriptive approach, as a quantitative approach which investigates the impact of the economic, social, political et al. climate, and how it affects the behavior of the individual, must be studied as well. This paves the way for future research for identifying and constructing theoretical, conceptual, and methodological frameworks which can facilitate for a quantitative study on the impact of individual and institutional behavior on development, i.e., composite measure of bad behavior, regression analysis etc.

In summary, this paper hopes it can lead to greater interest on the study of the effects of individual and institutional behavior on development, particularly on 1) what constitutes bad behavior within the context of development, i.e., a theoretical framework needs to be developed; and 2) how to measure such behavior with the aim of achieving a better understanding of how non-market factors such as behavior can lead some nations to be less developed relative to others. Having a better-defined framework as to what constitutes development hindering behavior, and being able to measure such behavior, facilitates the process of policy formulation to reprimand and deter such behavior.

References


