

Chapter 2

Decision Maker in the Global Village: Thinking Together

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ABSTRACT

The Nobel Memorial Prize in Economics has been awarded twice so far to researchers in the area of decision making. In 1978 to Herbert Simon “for his pioneering research into the decision-making process within economic organizations” and in 2002 to Daniel Kahneman “for having integrated insights from psychological research into economic science, especially concerning human judgment and decision-making under uncertainty”. In spite of this, in business schools and schools of economics courses in decision making focus on decision tools of applied operations research. There are, however, newer views that have not yet made their ways into the decision curricula. Therefore the authors argue that in the Global Village the decision taker’s role is wearing off while the decision maker’s role is changing. Now, that a great deal of knowledge is available freely and free of charge, a new possibility is opening up for a new type of thinking together. In this Chapter the authors take a closer look at this thinking together.

DEMARCATIION

The following is one of the authors’ favorite stories, Wittgenstein’s Poker, a confession by Karl Popper about the philosophical greats.

In the beginning of the 1946-47 academic year, I was invited by the secretary of the Moral Sciences Club... Wittgenstein, who was seated near the fireplace and playing with a poker, provocatively stated the question. “State one example of a moral rule.” To which I replied, “Not to threaten visiting lecturers with pokers.” To this, Wittgenstein abruptly left... After Wittgenstein had left, a pleasant philosophical debate ensued, to which Bertrand Russell was a member (Popper, 1998, p. 112).

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While this is a story, it demonstrates very well how great thoughts are formed. Even the greatest minds are merely human. What distinguishes them is that different thoughts come to great mind than to the mediocre ones when looking at something – in our case at a decision problem. The following passages might also contain thoughts that will prompt some to threaten the authors with a red-hot poker. Also, the authors are not among those who would proclaim ‘all has been written; one should simply read more.’ Even if it has been written, it is surely not written like this. So let us look at the discipline of decision making in a different light than the positivists would do. We could argue that positivists are not ‘made that way’, but in a way that is not true, for they were born into the values and culture of an age. If all their teachers were positivists, then the only thing they could have learned from them about the world was that the future is predictable based upon the past. They could not have had different teachers, for positivists never let into their midst those they did not understand – or, at least, they labelled such things unscientific. To address this situation, we outline what one of the reviewers of an earlier version of this chapter called a ‘Catch 22’: giving up science in order to include the soft components and improving decisions. We tackle this ‘Catch 22’ exploring the demarcation problem, then the changing identity of the decision maker, within this paying special attention to the development of aspiration levels to arrive at an answer in a variant of Unended Quest (Popper, 1998) which we contextualize in an ecological sense (‘ecological’ here refers to a complexity level 7 of Boulding’s 11-level model, see Boulding, 1985. pp. 9-30).

Human and social disciplines will never give up their effort to be looked upon as sciences. According to Karl Popper (1998) it is well known that the problem of induction comes from the mistaken solution of demarcation. From the positivistic belief that what separates science from pseudoscience is the scientific method, and induction is what shall lead to true, or rather, verifiable knowledge. This attitude and approach often puts the practitioners of soft disciplines, such as those of decision-making, into an uncomfortable position. This is made stranger by the fact that there are anti-positivists who understand this and so do not consider positivists charlatans, but rarely do you find the opposite. Here and now, the authors will outline a new demarcation.

The trouble was that man isn’t suited to this kind of scientific objective study. Objects of scientific study are supposed to hold still. They’re supposed to follow the laws of cause and effect in such a way that a given cause will always have a given effect, over and over again. Man doesn’t do this. Not even savages (Pirsig, 1991, p. 72).

The purpose of demarcation is not to draw a line between science and metaphysics, but rather to separate science from pseudoscience. Everything that could be said for and against science would strike back like a boomerang. Only those who know tradition back to front can be true revolutionaries in science, for without the background knowledge of the era of puzzle solving, one constantly ends up with pseudo-problems. Stories of those with incomplete background knowledge trying to discover the Americas are dime a dozen. This is because they are imagining a problem that already has an accepted solution within the base of knowledge in the field.

The “invisible establishment” of science does not wish to separate hard and soft sciences. When it comes to financing research, practitioners of soft disciplines wish to be held in the same lot as those of hard disciplines. However, when it comes to the evaluation of researcher performance, soft discipline practitioners protest against being in that same lot. To understand more easily, let us look at the field of economics. Thomas Sedlacek (2013) says Samuelson’s text reads like a physics book. Everything is clear-cut: behold the mechanical machine that is Economics. It is not the task, nor the scope of the authors

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