

practice shows us that rather than analysis or formalism alone, thought and action together, politics and vision, lie at the heart of planning and administrative practice.

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### Practical Rationality: From Bounded Rationality to the Critique of Ideology in Practice

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#### *Introduction*

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In planning and policy analysis, rationality is not simply a cognitive problem. If we treat it as a matter of knowing—or, more precisely, following conventional accounts, as a matter of calculation—we are liable to ignore the historical contingencies of practical rationality in action (Faludi 1984; Reade 1984; cf. Forester 1989). Investigating rational mental processes, we may neglect rational conduct and practice. This chapter proposes an account of practical, situated, rational action as an alternative to the common instrumental view of rationality as means-ends calculation.

After offering a Weberian critique of instrumental rationality and an account of practical communicative action, this chapter: (1) reformulates the “boundedness” or constrained character of such action; (2) assesses the practical significance of that reformulation; and (3) considers the ethical, critical, and political implications of this account of rationality in planmaking.

Herbert Simon and Jurgen Habermas, leading exponents of the Carnegie-Mellon school of decision making and the contemporary “Frankfurt School” of social theory, respectively, point to similar problems and new directions: the analysis of situated practical

action. Simon rejects the notion of rational decision making as constrained optimization, and he calls instead for a program of economic behavioralism, the investigation of the procedures actually used by decision makers in real-choice situations. Simon (1979, 85) writes:

Economics is now focusing on new research questions whose answers require explicit attention to procedural rationality. As economics becomes more and more involved in the study of uncertainty, more and more concerned with the complex actuality of business decision-making, the shift in programme will become inevitable. Wider and wider areas of economics will replace the over-simplified assumptions of the situationally constrained omniscient decision maker with a realistic (and psychological) characterization of the limits on Man's rationality, and the consequences of those limits for his economic behaviour.

And Habermas, as we shall see, has sought to develop a model of practical communicative action, action understood not as the result of a formal means-ends calculation, but as a pragmatic socially meaningful performance.

### ***The Critique of Instrumental Rationality— and Practical Communicative Action***

In *Toward a Rational Society* and the more recent *Theory of Communicative Action*, Habermas works to reformulate Weber's theory of social rationalization (Habermas 1970, 1983). Seeking to articulate a model of social action through which rationalization processes take place, Habermas distinguishes two candidates: purposive-rational or instrumental action and symbolic interaction. The purposive rational actor is the functionally rational calculator; the symbolic interactor is the practically rational member engaged in a conversation.<sup>1</sup> For the calculator, rationality produces control; for the engaged conversationalist, rationality produces understanding and consensual decisions. This distinction, Habermas and Robert Bellah more recently remind us, derives in various forms from Aristotle's distinction between *techne* and *praxis* (Bellah 1982; Habermas 1973).

In the first model of action, questions of value and signifi-

cance seem to be given, already provided, without incompleteness, ambiguity, or bias. Questions of political legitimacy (calculation for whom, solving which and whose problems?) are ruled out of court. Rationality here pretends to political neutrality or, better, to indifference and disregard for encompassing (and more subtly constituting) political influences. Thus a murderous regime may be served in rational ways; murder might be performed not just efficiently but rationally—if this account of rational action is accepted. This is an awkward if not outrageous position, as C. West Churchman (1962, 73) points out:

It is simply a mistake to think that game theory, or much of so-called decision theory, is an analysis of rational behavior. The work in these fields is undoubtedly very important, but it has very little to do with our learning about rationality. This is because the problem of rationality is not to define rules of behavior, given the goals, but rather to define rational goals. To relegate rationality to the study of means only is to trivialize it. It is to lose the whole traditional spirit of the concept of rational behavior to say that a man may "rationally" murder his friends in cold blood, as long as he structures his choices according to "rational" rules.

The strictly means-ends calculating approach to rational action, then, may lead to embarrassing (not to say repugnant) results. If instrumental rationality cannot address the issue of desirable goals and norms—if it must rather assume those as standards with respect to which to calculate streams of benefits and costs, pleasures and pains—then the purposes for which rationality is used are nonrational, perhaps irrational (and it is not clear how we would draw this distinction). Worse still, technical or instrumental rationality then involves us in a process of calculation in which we are to believe that we are sophisticatedly and rationally pursuing the nonrational or irrational. This deeply violates our most basic common sense. Peculiarly, then, in an important sense, we do not know what it is that we are supposedly rationally doing when we act instrumentally. This result should give us substantial pause and reason to doubt the adequacy of such an instrumental, calculating view of rationality (Elster 1986; Mansbridge 1988).

This embarrassing result echoes the pathos of Weber's life-work. Eric Reade (1984) has suggested that Weber took instrumental rationality to include the assessment of ends in them-

selves. This is ambiguous at best, if not incorrect. Chosen ends might lead us to differing clusters of consequences, and, to this limited extent, Weber thought, ends might indeed be assessed. Yet Weber despaired of ever being able to compare and evaluate ends with respect to one another—and he pointed to the problem by distinguishing purposive rational (zweckrational) and value-rational (wertrational) action. Had Weber thought that ends themselves could be compared rationally, he would not have found it necessary, in his famous "Politics as a Vocation," to distinguish the "ethic of ultimate ends" from the "ethic of responsibility"; the former would simply have been reducible to the latter—a conclusion Weber obviously and strenuously rejected (Weber 1958a, chap. 4). Respecting the doubt that a rational evaluation comparing ends was possible, Weber repeatedly warned of the consequences of rationalization—overvaluing the calculating, instrumentally rational competences of human beings to the neglect of other virtues (and other conceptions of rationality as well). Two quotes suggest Weber's own critique of the problematic character and adequacy of understanding rationality to be essentially instrumental in nature. The first passage is often quoted; the second, though far more striking, is less well known.

At the close of *The Protestant Ethic and the Spirit of Capitalism*, Weber points to the significance and implications of a society organized increasingly upon the lines of purposive rational, calculating action. He referred to the spread of such rationality as rationalization, and he wrote of its secular and ascetic capitalist manifestations as an "iron cage":

No one knows who will live in this cage in the future, or whether at the end of this tremendous development entirely new prophets will arise, or there will be a great rebirth of old ideas and ideals, or, if neither, mechanized petrification, embellished with a sort of convulsive self-importance. For of the last stage of this cultural development, it might well be truly said: "Specialists without spirit, sensualists without heart; this nullity imagines that it has attained a level of civilization never before achieved." (Weber 1958b, 182)

In another essay, "Religious Rejections of the World and Their Directions," an essay aiming "at contributing to the typology and sociology of rationalism," Weber notes that "[T]he cosmos of natural causality and the postulated cosmos of ethical, compensatory causality have stood in irreconcilable opposition" (Weber

1958a, 324, 355). Yet Weber did not celebrate the scientific realm of increasing instrumental rationality at the expense of the religious and ethical life; he was far too astute a moral observer. Weber thought—as Popper was later to think as well—that the scientific or critical attitude itself could not be systematically justified on its own standards. The foundation of the scientific community was nonrational, then: moral decision or commitments. This ironic, if not self-contradictory, result led to disturbing ethical conclusions, as Weber forcefully and poignantly pointed out. He wrote a profound indictment whose deep charge of senselessness must be addressed by all those advocating any reduction of rationality to instrumental rationality:

Science has created this cosmos of natural causality and has seemed unable to answer with certainty the question of its own ultimate presuppositions. Nevertheless science, in the name of 'intellectual integrity', has come forward with the claim of representing the only possible form of a reasoned view of the world. The intellect, like all culture values, has created an aristocracy based on the possession of rational culture and independent of all personal ethical qualities of man. The aristocracy of intellect is hence an unbrotherly aristocracy. Worldly man has regarded this possession of culture as the highest good. In addition to the burden of ethical guilt, however, something has adhered to this cultural value which was bound to depreciate it with still greater finality, namely, senselessness—if this cultural value is to be judged in terms of its own standards. (Weber 1958a, 355)

As Weber knew, then, the first model of rational action, instrumental rationality, leads to embarrassing and morally troubling results. Actors seem to pursue the nonrational rationally; as calculators they seem to mistake in the Golden Rule the gold for the spirit of the rule. They seem to emulate the latest and most efficient model in evolving generations of computer systems—rather than emulating the most profound models of civic virtue, brotherhood, or Aristotelean ethical maturity (Bellah 1982).

The second model of rational action suggests that conduct be understood not as the use of a tool but as the making of a promise. As social beings, actors shape each other's attention to the world and expectations of it. Such communicative action ordinarily makes both *content* and *context* claims; we promise or agree to or threaten or ask something, and we do so in particular social or institutional

contexts. Habermas argues at length that such action is never guaranteed to succeed. Communicative action is a contingent, skilled, practical performance, and when it breaks down, two options arise. Either actors give up the attempt at mutual understanding and cooperative interaction (perhaps to resort to coercion), or they may momentarily step aside from the stream of action to participate in "discourse": a forum in which they may attempt, respecting only the force of the better argument, to resurrect and sustain the conversation—to test a factual claim against the evidence or to justify a normative claim with reasons, so that noncoercive communicative interaction may proceed. In this way, Habermas suggests, situated communicative action involves practical claims made (testably, subject to criticism via discourse) between social actors; thus social action is contingently rational action (Forester 1989). This model of action makes possible a powerful empirical analysis of practice—an analysis both structurally informed and phenomenologically sensitive. For our purposes here, though, we can concentrate not on the anatomy of communicative action but upon its situated character and its notion of criticism and discourse.

The practical communicative model of action suggests a rich notion of rationality, for here questions of norms and values are not presumed to be undiscussable but yet necessarily influential and constitutive of the very sense of action itself. Here we need, then, to address the conditions under which action, criticism, and justification take place—and allow ourselves to grant that justification of normative positions might be as rational, infinitely more context-sensitive but less precise, as any utilitarian calculation (Fischer 1980; Klosterman 1978). Here we need a theory, not of risk and rankings, but of conditions of action and discourse, debate and argument, and, in an overall sense, democratic voice (Habermas 1975; Barber 1984; Forester 1989; Fischer and Forester 1993).

### *Situated Rational Action*

If we explore the problem of rationality as one of practical communicative action, we must ask: "Who acts? In what contexts? In what situations of choice? Constituted by what norms? Limited by what sorts of bounds and constraints?" The situated rational actor inherits an historical starting point in which information and misinformation, help and hindrance, support and opposition, are likely to be contingent, variable, always ambiguously forthcoming.

At the worst, if the nature of the constraints and obstacles to action varied across all situations—for example, health policy, land-use planning, environmental policy, and so on—then the resulting account of rationality would be, it seems, unacceptably relativistic. But, if we can typify expectable constraints across various planning and policy situations, we can see how the theory of rational action depends in part upon a theory of historical context or, sociologically, a theory of the institutional and structural contexts of action. Here the major social and political theories offer partially complementary and partially contradictory accounts of the real contexts of action.

As facts do not speak for themselves, neither do contexts; their interpretation is just as theoretically informed as that of any "fact." The Marxist, Weberian, and Durkheimian anticipate differing structural constraints and obstacles to practical action. But just how their paradigms call attention selectively and practically to differing aspects of a given situation is neither well understood nor yet clearly articulated.

If we can assess the situated character of our rational actor (a policy analyst or planner, for example)—not to leave him or her in the abstract, out in the cold—we can ask the following social questions: How do the institutional structures and social processes of the society at large reproduce and re-create the decision context of the planner, of the actor? How is the decision situation, the problem-solving or the advice-giving situation, socially and politically constructed? What pressures, incentives, temptations, confusions, threats, seductive techniques, or professional expectations are pressed upon the planner or policy analyst? These influences extend far beyond any cognitive sense of bias or ideology—and Habermas's reformulation of the problem of ideology as that of "systematically distorted (pragmatic) communications" opens up a rich set of practical influences to investigate.

So to understand a planner's action as more or less rational, we may well need to understand how the planning organization itself reflects, in Schattschneider's brilliant phrase, "the mobilization of bias" (Schattschneider 1960, 71). Some citizens or interest groups, for example, may systematically have access to local government or federal agencies, whereas other citizens do not, and knowing that may be important in gauging what is to count as rational action by a planner or policy analyst mandated to serve both groups of citizens. Notice that if analysts treat all similarly, under the banner of equal formal opportunity (that is, the door being open to all who can knock), the analysts help to ensure that the given inequality of

access will be perpetuated. Significantly, though, analysts' efforts to improve access to those without it may be seen as wasteful and even inequitable if the organizational biases that constitute the actual work setting are *not* taken into account.

### ***The Rebounding Of Rationality: Practical Anticipation And Response***

Simon, of course, broached this line of analysis long ago. If Simon had not used, however, the passive voice of "bounded rationality", but had referred to "the bounding of rationality" instead, his readers would have been drawn much more quickly by the grammar of the phrase to ask: What bounds rational action? How does such bounding take place? Can some of the boundedness of action be prevented, whereas some cannot? How might social structure influence the boundedness of action?

Two crucial distinctions need to be drawn if we are to clarify the actual boundedness of rational action. The distinctions have force when we note that Simon's paradigmatic notion of boundedness, namely the cognitive limits of decision makers' brainpower, is one that is apparently both (1) inevitable and (2) not socially systematic (it is nonstructural). Simon's own emphasis seems to beg two questions, therefore. First, might not some practical bounds, instead of being inevitable, be artificial and unnecessary, mere artifacts of personality or power relations or custom—any of which might be changed, thus rebounding the action situation at hand? Second, if bounds can be socially constructed by virtue of organizational design or political structure, might not some bounds be socially systematic, derived from existing patterns of social structure rather than from wholly random or ad hoc sources? Posing these questions allows us to reformulate the boundedness of rational action (Forester 1989; Kemp 1980, 1982). Bounds or constraints upon rational action not only vary along two dimensions, nonsystematic or systematic, and necessary or unnecessary, as suggested by table 4.1, but correspondingly practical responses to such varying "bounds" will vary as well.

The practical implications of these distinctions are substantial. The person who always anticipates systematic distortions or constraints when random and usually nonsystematic ones exist, we are likely to call paranoid; the person who treats inevitable constraints as if they were transient artifacts of the situation, we

**Table 4.1** Bounded rationality: a critical theoretic reformulation to distinguish *types of misinformation* or communicative distortion (bounds on the rationality of action) (adapted from Forester 1989).

		Autonomy of the Source of Distortion	
		socially ad hoc	socially systematic-structural
		idiosyncratic personal traits affecting communication	information inequalities resulting from legitimated division of labor
inevitable distortions	random noise		transmission-content losses across organizational boundaries
Contingency of Distortion	1 Cognitive limits [Simon]	2 Differentiation [Weber]	
	willful unresponsiveness	monopolistic distortions of exchange	
	interpersonal deception	monopolistic creation of needs	
socially unnecessary distortions	interpersonal bargaining behavior; for example, bluffing	ideological rationalization of class or power structure	
	3 Pluralist Bargaining [Lindblom]	4 Structural legitimation [Marx]	

are likely to call impractical at best and a fool at worst (the geniuses who transform the inevitable into the artificial notwithstanding). More interestingly, though, we can anticipate structural and systematic constraints, whereas nonsystematic ones will be more uncertain; we may devise a strategy to get information that another organization is expected to withhold, but, in the face of random staffing problems, we may be forced to hedge our bets by allowing some additional increment of time to do what we are trying to do.

Distinguishing these bounds upon rational action also has political implications. Liberal political theorists, for example, focus attention far more to nonsystematic conflicts of pluralist interest

groups, while Marxist theorists focus attention instead upon structural constraints on social action. Technically minded analysts attend to inevitably "given" problems, while political and entrepreneurial analysts make an art out of assessing the political "givenness," the artificial social construction of the problems they face (Meltzer 1976; Baum 1987, 1990; Benveniste 1989; Clavel 1986; Healey 1992; Hoch and Cibulskis 1987).

If this analysis of the variable boundedness of rational action is half-right, then the empirical study of planning and policy analysis practice might produce insightful accounts of the practical repertoires of strategies that analysts actually use in the face of these various sorts of practical constraints. By informing the practitioner's anticipation of different types of constraints upon his or her action, such a planning theory of the variable boundedness of rational action might also directly inform practical planning strategies. For example, responses to ad hoc but necessary constraints (quadrant 1, table 4.1) include strategies of risk analysis, the hedging of bets, allowing redundancy; responses to necessary systematic constraints (quadrant 2) include boundary spanning, specialization of function, and socialization of risk (when, for example, knowledge or commitment is systematically diffuse). Responses to ad hoc but unnecessary constraints upon action (quadrant 3) include strategies of bargaining, sanctioning others' behavior, checking and monitoring, and using legal remedies. Finally, responses to systematic and unnecessary constraints (quadrant 4) may include strategies of community, class, or political organization, the use of coalitions, and the exposure and critique of ideological claims.

These responses, organized into table 4.2, provide only the barest glimpse at the wealth of the practical repertoires of strategies that are likely to be found in practice—in response to these distinctive types of constraints upon action. Just as table 4.1 suggests how various major political theories might focus attention upon differing practical constraints upon action, so does table 4.2 suggest how and why these major theories find such different practical strategies of action to be rational!

A further, more challenging problem remains. Judgments of value and significance must be made in situations of action, even if they might now be partially protected from the mystifications and biases reflected in unnecessary constraints upon action. The work of judgment, what Sir Geoffrey Vickers described so lucidly as the appreciation of fact and value, remains as a practical problem demanding a theory of ethics and evaluation, understood within a broader a theory of society as well.<sup>2</sup>

**Table 4.2** Examples of responses to particular types of bounds or constraints upon rational action.

		Autonomy of Distortion	
		socially ad hoc	socially systematic-structural
		risk analysis	boundary spanning
inevitable distortions		hedging	specialization of function
		allowing redundancy	socialization of risk
Contingency of Distortion	1		2
		bargaining	political or community or class organizing
socially unnecessary distortions		sanctioning behavior, checking and monitoring	exposure and critique of ideology
		legal remedy	coalition utilization
	3		4

### ***Bounded Rationality and Ethical Responsibility***

"Bounded rationality" in its standard political and administrative form had perversely *socialized* rationality by presuming existing relations of power to be fully legitimate (or, in what amounts practically, if not theoretically, to the same thing, by presuming them to be above challenge in any specific case). If policy analysts and planners, as satisficing rational actors, are ever to assess potentially illegitimate or unjustified coercive influences constraining their satisficing solutions, they must consider the political legitimacy of the relations of power at hand.<sup>3</sup>

Simon's satisficer, no less and no more than Lindblom's incrementalist, is a political animal, though a potentially rational one—but as long as questions of illegitimacy and the abuse of power are neglected, that satisficer and incrementalist will be only a deferential and quiescent—and thus an ethically dangerous and hardly professional—political actor. So the question arises: Should

not the ethically responsible rational actor in real constrained situations of choice and action distinguish, anticipate, evaluate, and act correspondingly differently toward political constraints that have strong claims to legitimacy and those that do not (Krumholz and Forester 1990, chap. 15; Burke 1986)?

### *Rationality and Criticism*

How does our Habermasian account suggest anything helpful in the face of such problems? The Habermasian rational actor is a practical communicative agent who makes claims in a community of affected persons, claims for which he or she would be willing to offer justifications and arguments in discourses where (in principle) only the force of the better argument may prevail. Thus the counterfactual willingness to engage in processes of criticism, to subject one's views to the force of the better argument, is as central to Habermas as it is, in another variant, to Popper (Faludi 1984; McCarthy 1978; Smith 1981). For Popper and Habermas both, an appeal is made to a counterfactual (existing in principle, if only imperfectly realized in fact) community of inquirers and affected persons having the freedom to offer and challenge arguments, to put forth evidence and justifications, to seek the better argument. The detailed epistemological differences between Habermas and Popper notwithstanding, the Habermasian model of discourse underlying the practical claims made in communicative action is no more—and no less—counterfactual than the Popperian notion of the critical attitude and the critical scientific community of inquirers (McCarthy 1978, 44–52).

Yet, although Popper suggests that the critical attitude itself cannot be systematically justified, Habermas argues, extending the arguments of Karl Otto Apel, that the *counterfactual* ideal of an ideal speech situation in both theoretical and practical discourses is inherent in our ordinary use of language with one another, in our ordinary communicative competence (Habermas 1975, part 3; 1979 chap. 1; cf. Forester 1991, 52–55). Habermas suggests that while factual claims anticipate the court of theoretical discourses for their in-principle establishment, normative claims anticipate instead the court of practical discourses for their hypothetical justification.

Habermas argues, then, that our notion of rationality is systematically connected to the consideration of the conditions of crit-

icism that may exist. Instrumental action may be criticized as correct or not, as more or less effective or efficient; communicative action more broadly may also be criticized as justifiable within the affected community (Habermas 1970, 1979). As a result, the crux of the problem of the possibility of rational action will not be the weighting of consequences and, as Simon says, the mathematically straightforward optimization of a payoff; it will be, instead, the anticipation of threats to conditions of free discourse and unhampered argumentation. Thus the problem of communicative rationality is intimately linked to questions of freedom and justice (the essential conditions constituting the community of inquirers and all those affected). To the extent that an action might in principle be ratified by all those investigating it or affected by it in a discourse based upon the strength of the offered arguments alone, to that extent might the action be called "rational".

The imagination called for, here, by the potentially rational actor is that searching for action which would meet generalizable agreement by all those affected. Rationality thus—whether of the most technical instrumental actions or the most ethically charged communicative action more generally—becomes a function of in-principle consent, roughly as the Popperian notion of scientific results appeals to the in-principle provisional acceptance by the community of scientific inquirers.

### *Conclusion*

If we treat rationality as a problem purely of epistemology, cognition, and instrumental calculation, then, we run several risks. First, we may ignore the real lived situations of people needing to make practical judgments, needing to act, and so our notion of rationality will be far too abstract and impractical. Second, we may ignore the historical constitution of any potentially rational actor's entangled situation, and so we will fail to appreciate the institutional complexities (the biases, prejudices, partial formulations) of "the problem" at hand.

Third, we are likely to ignore the pressures upon potentially rational actors to act in particular political ways. Subscribers to the cognitive calculating view of rationality, we are likely then to be less able to *anticipate and counteract* those practical social and political influences that render planners' and analysts' conduct contingent and vulnerable to distortion (for example, the play of arbitrary or organized, but illegitimate, power).

Fourth, if we fail to distinguish unnecessary from necessary, ad hoc from structural bounds constraining rational action, our calculating view is likely to suppress questions of justice and legitimacy altogether. Yet, in fact, advocating such a narrow view would imply that existing constraints must be accepted—as if any play of power bounding action (limiting information, for instance) were in fact legitimate. A more effective self-imposed discouragement of normative criticism can hardly be imagined. What appears to be an apolitical “satisficing” account of rationality in the abstract, then, may be in the actual concrete case the most quiescent, blindly deferential political action possible. The relations of power that shape the bounds of action, and thus the satisficing action or decision, would be accepted in principle (!), however illegitimate they may be.

Fifth, if we ignore the social and institutional context of action, our instrumental or calculating view is likely to ignore the practical problem of ideology: the ways in which issues of problem formulation, scope, time horizons, weightings of consequences, and so on may be practically constituted, prejudged (pre-judiced), and influenced by elements of the social environment that hardly reflect the interests of those to be affected by the action or decision at hand.

Sixth, thus, our calculating view would reduce rationality and questions of rational action to apparently technical problems when they are quite obviously (also) political and ethical (normative) through and through. Because the consequentiality—the value and significance—of consequences cannot be given before questions of rational action arise, attempts to formulate a powerful notion of rationality must recognize the potentially rational actor to be a participant in a community of potentially affected persons—whose free consent and assent (in principle) to the actor’s decision might be taken to establish the very rationality of the decision.<sup>4</sup> This discursive or argumentative model of rationality in planning depends upon a notion of the planner as a potentially rational participant in a political and social world—a notion excluded and obscured by a purely instrumental, calculating view of rationality.

By taking the problem of rationality to be a problem of situated action, more than one of epistemology and cognition, a practical account of planners’ behavior in choice situations can be given. The problem of rational action in planning can then be recognized as socially situated, politically contingent, facing bounds potentially ad hoc or systematic, necessary or unnecessary, in a political

world, and affecting others who might in principle criticize and accept or reject particular planning actions. Hardly solving questions of choice for once and for all, such an account of situated and bounded rational action—an account of practical rationality—might at least enable policy analysts and planners better to anticipate a range of distorting and biasing “bounding” influences that they are likely to face in practice (Forester 1989, chap. 4). Such anticipation may help planners and analysts to counteract those forces and thus to protect the quality of a planning and policy-analytic practice in which rational action is intimately connected to the possibilities of its criticism and consensual acceptance.