

Referee report for E-economics on:
Marina Bianchi – ‘The Magic of Storytelling: How Curiosity and Aesthetic Preferences Work’

This paper examines two types of preferences for curiosity (explorative curiosity – the joy of discovery – and specific curiosity – problem solving). The context for why this is interesting is that these are ventured as models to explain preferences for novelty or new preferences that guide economic adaptation. If we are to explain a growing economy, we need to explain not only the production of new things, but also the consumption of them, which requires an understanding of how consumers develop these (endogenous) preferences. This is an important question that has been widely neglected in mainstream economics, and even in evolutionary economics (although the work of Ulrich Witt and colleagues has sought to redress this).

Bianchi’s paper here continues her long line of work on ‘the active consumer’ and the demand for novelty. This particular paper focuses on stories as a source of pleasure and aesthetic preference. Building on Scitovsky (1976), and the arousal theory of demand (based on Berlyne 1974), Bianchi argues for a distinction between comfort goods and creative goods, with storytelling as a paradigmatic instance of creative goods.

Building on the example of universal plots in storytelling (Booker 2004), and viewed through the lens of Berlyne’s arousal psychology, Bianchi finds an aesthetic preference model of storytelling, which are then forms a model of a creative good (i.e. stories as creative goods, because of aesthetic preferences). The bulk of the paper is the development of this argument. This arrives at claims of different types of curiosity (diverse exploration vs specific exploration) that rely on a hedonic dimension to curiosity. An application is the claim that the value of artworks (for instance) ‘is that we enjoy primarily for the challenges they provide in terms of novelty and complexity [that] hold the potential to sustain curiosity’. This then becomes a recursive definition of a ‘creative good’, ie. one that can sustain curiosity, which is valuable because it invites exploration, which in turn is valuable because this is a necessary concomitant in an evolving (or endogenously changing) economy.

While the Berlyne/Scitovsky model of arousal/joy as properties of (creative) goods is a candidate explanation, I want to point out that there are other explanations, particularly from evolutionary theory, that this paper might benefit from. Specifically, there are a few citations that are conspicuously missing (whether deliberately or not I do not know).

The first is Brian Boyd ‘On the Origin of Stories’ (2010, Belknap Press). This is the most comprehensive analysis of the intersection of literary theory (Boyd is a Professor of English) and evolutionary theory on the reasons why we ‘like stories’. There is a broader literature on ‘literary darwinism’ that could be consulted as well (Joseph Carroll, Jonathan Gotchall, Ellen Dissanayke, et al, en.wikipedia.org/wiki/Darwinian_literary_studies).

The second point follows, which is on the adaptive value of stories. Bianchi argues aesthetic preferences (pleasure). But evolutionary theory tends toward an ‘effective social learning’ model (utility). In essence, stories furnish a kind of ‘grammar of learning’ in which knowledge can be effectively socially acquired if presented in this form. That we enjoy this form is a consequence, not a cause. In other words, stories are the human

specific form of hard-wired imitative learning (akin to mirror neurons, for example, at the neurobiological level).

Third, (re: p 20) this argument has also been put in different form in the work of Becker and Rayo, on the question of why nature seemingly gave us utility functions. (Rayo and Becker (2007) 'evolutionary efficiency and happiness' JPE). (cf. the Stigler and Becker reference on p. 22, which is about how economics cannot say much about taste, which is an obvious but easy target for this paper (and I'm not really convinced that Bianchi has said anything specific in the sense that Becker and Stigler were saying about individual utility functions). A better and more consistent comparison would be Rayo and Becker, which was about utility functions in general, which would seem to be the level at which Bianchi is claiming to say something about tastes in general (rather than for specific people).

Basically, I was left with the sense that Bianchi hadn't really addressed the adaptationist question, namely: if aesthetic preferences produce utility/pleasure/joy, then what is the adaptive value of this? Is there a sexual selection argument in the background (a la Geoffrey Miller)?

Fourth, (re: p 17), perhaps the view of curiosity as exploratory response might be related to George Stigler's information search model, at least as an exercise in locating it in the economics literature (cf. Loewenstein 1994).

Fifth, I was left wondering exactly how creative goods (as opposed to comfort goods) related to experience goods. It may help to elucidate this distinction, i.e. do the same arguments (about properties of interestingness, unexpectedness, etc.) ALSO apply to experience goods, or are they a subset, or distinct set, etc.

Sixth, the conclusion might benefit by elaborating on the concrete concept of digital story-telling as a prime example (e.g. Lundby 2009, and other citations, e.g. in the work of John Hartley et al) rather than the very abstract and general claims about new social media. The conclusion didn't really summarise the economic content of the argument.