Reparations for slavery and colonial abuses: how behavioural science can help

May 28, 2021 2.49pm BST

David Comerford
Senior Lecturer of Economics and Behavioural Science, University of Stirling

Germany has agreed to pay Namibia more than €1.1 billion (£940 million) in reparations for committing genocide during the colonial occupation of the country a century ago. It’s a landmark deal that will create a 30-year programme of investment in infrastructure, healthcare and training programmes in Namibia.

But it wasn’t easy reaching this agreement. Negotiations have been ongoing since 2015. Last year, Germany offered Namibia €10 million (£8.6 million) but the Namibian authorities rejected it.

And while the latest deal may set a precedent for the victims and descendents of victims of historic abuses seeking reparations payments – calls for which have grown in the last year in response to the Black Lives Matter movement – there are still many obstacles.
Alongside how to reach such agreements, one of the biggest questions is how to agree reparations in a way that helps heal society rather than causes further division. Behavioural science is a discipline that has made a study of how identity and emotion relate to money, so I believe the field has insights for the reparations issue.

Namibia’s rejection of Germany’s initial offer will come as no surprise to those familiar with the ultimatum game. In this experimental economics game, there are two players, G and N. G is arbitrarily given some money, say £10. N receives nothing. G must select how much, if any, of the cash to share with N. N can accept G’s offer or reject it. If N rejects then neither G nor N receive anything – both go home empty handed.

Economic theory offers a prediction: G offers N some tiny amount of wealth because N would be made materially better off by taking even a paltry sum of money rather than refusing it. That prediction has been refuted time and again and across cultures. In reality, N typically rejects the offer if it is only a small proportion of the initial endowment. The common sense that explains this result is reflected in everyday language when we talk of an offer as being “insultingly low”.

A minimum criterion for reparations is that they avoid being insultingly low by adequately recognising the harm caused. But there is also a balance to be struck in making sure reparations, which are inherently aimed at specific groups, don’t create more division by leaving out others who may have suffered harm in different ways.

**Estimating harm**

The first step then is to rigorously take account of the harms inflicted. That can be extremely difficult. Even where the historic record is unambiguous and agreed upon, there is rarely the data available to accurately assess the harms people have suffered.
To compound the issue, some harms are so difficult to assess for in the first place – for example, the emotional distress experienced by descendants – or so widespread – such as the pervasive legacy of racism in society – as to be uncountable. In the absence of data-based estimates, there is greater scope for subjectivity to sway the debate and hinder attempts to arrive at acceptable compensation.

Even where the data does allow accurate estimation of the causal impact of historic harms, the next question is how much money is required to compensate for them. This question is also very difficult to answer.

Canvassing public opinion is an option, but behavioural scientists often find people’s answers are incoherent. In public opinion experiments, the conclusion reached by legal scholar Cass Sunstein and psychologist and economics Nobel Laureate Daniel Kahneman, is that people answer these questions by reporting their general attitudes rather than their considered evaluations of the specific situations.

So far the problems outlined have been technical: how to measure harm on a money scale. Now the substantial problems begin. How to divide the compensation across groups? There is a human tendency to overestimate one’s own burden relative to others’.

Ask two partners in a relationship what percentage of housework they do and, for the majority of couples, the answers will add up to a total that exceeds 100%. That violation of statistics occurs in a case where there is nothing at stake. Imagine how fraught things get when the stakes include large sums of money and issues of identity and victimhood. In this sense, any attempt simply to “compensate” for specific atrocities looks likely to provoke resentments among groups that have been differently harmed.
But there are other approaches. This month France launches a “memories and truth” commission to shed light on its acts during the Algerian war. If reparations are part of the process, philosopher Leif Wenar advocates that they should serve the function of improving future relations rather than of compensating for past wrongs.

The climate crisis offers former colonial powers an opportunity to make a positive contribution in this regard. Everyone agrees that global carbon emissions must reduce but the big question remains: who has to reduce their production and consumption? The countries that are most developed today got that way because they exploited the Earth’s resources and people in the past. A reasonable way to proceed is for developed countries to make sacrifices and give less-developed countries their turn.