



BOOK REVIEW

Annie Tubadji

Culture Based Development: Modelling Cultural Bias in Economic Choice

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The book "Culture Based Development: Modelling Cultural Bias in Economic Choice" by Annie Tubadji is a significant interdisciplinary contribution to the subject of culture and its role in economic behavior and development. The book combines economics with wisdom from other social sciences and linguistics to demonstrate that cultural bias is a measurable and lasting factor in economic choice and decision-making at individual and group levels. Synthesizing the fruit of precise and original economic research spanning over 15 years and over 50 academic publications, the book is a major advancement and contribution to the mainstream economics view that development cannot be understood without integrating culture into economic analysis.

Annie Tubadji is well known for pioneering the Culture Based Development (CBD) modelling that shows that culture, both old and new, plays a central role in economic development. Contrary to the conventional cultural economics approaches that considered culture to be a public good or a matter of taste, the CBD paradigm posits that culture fundamentally conditions the formation of choices that determine what individuals perceive as rational, acceptable, or desirable. In this model, critical processes like regional development, innovation, labor markets, migration, and

entrepreneurship are considered as culturally conditioned processes rather than rational economic processes. Placed at the crossroads of development economics, behavioral economics, institutional theory, and social psychology, the book will be of interest to both theory-oriented and empirics-oriented readers. At the same time, it offers conceptual clarity on the role of culture as well as providing empirical blue print for the operationalisation of the cultural concepts through data sets, models, and cases. Tubadji proposes a paradigm shift in the study of development with culture being considered as a causal factor rather than as a residual category.

The relevance of the book can be particularly highlighted in the context of regional inequalities, social fragmentation, cultural diversity, and digitalization. In the absence of old certainties about universal rationality, Tubadji offers a paradigm that helps to accurately understand and precisely model the cultural basis of economic actions and their aggregation to local and regional level. The following will present a summary and critical analysis of the contribution made by the book.

Tubadji's study clearly presents a framework of the Culture Based Development (CBD) model, commencing with conceptual foundations and advancing through theoretical and methodological constructions, and finally arriving at empirical evidence and policy relevance. The introductory chapter of Tubadji's study presents a framework of cultural bias as a notion that marks the principal axis of the CBD model. Cultural bias is defined as "as a systematic deviation from rational choice by agents, which is explained by the clustering of these agents into culturally defined groups" (see p. 98).

The book is structured in two major parts – the first part presents the main five cultural concepts of the CBD paradigm: culture, cultural capital, cultural distance, cultural entropy and cultural bias. The second part of the book offers examples of direct and indirect cultural bias in various economic choices that can be theoretically explained and empirically quantified by the use of the five main CBD concepts of culture. This book structure allows Tubadji to offer the main founding principles of the Culture Based Development paradigm and to illustrate them with examples from the wealth of the CBD empirical literature. The book is based on over 50 existing academic publications. Each chapter of the book starts by eliciting the main CBD founding principle it focuses on, offering the CBD definitions and theory, then there is a section of literature review covering exemplary CBD empirical studies illustrating this founding principle. Next, the chapters position the CBD contribution in the wider multidisciplinary literature on the same topic. Finally, each chapter offers policy implications through the prism of aesthetic education that is the way of translating the CBD academic input into policy relevant interventions.

In the first part of the book, Tubadji argues that cultural biases are both enduring and path-dependent, with both historical and contemporary foundations. The book challenges the underlying assumption of the neoclassical perspective, which posits that human preferences are both constant and universally held, leading to the conclusion that the concept of rationality is, in fact, culturally relative. The author extends the definition of cognitive biases to include the role of collectively held, historically grounded cultural factors, using the perspective of behavioral economics cast in entirely culturally-centred light.

The second major section of the book establishes the framework of CBD as an analytical approach, which posits that economic decision-making is comprised of three interconnected dimensions: cultural bias, economic incentives, and the institutional context. The role of culture is to act as a soft infrastructure that influences how individuals and societies process economic incentives. Development outcomes, therefore, are the result of the interaction between existing cultural traditions and current economic circumstances. The author extends this framework to include regional science, which examines the geographic clustering of cultural traits and the development consequences that occur, leading to regional variations in development outcomes within a national context.

One of the principal contributions of the CBD research summarized in the book is the attention paid by CBD to the measurement of culture. Tubadji explains various ways of measuring culture, including historical variables such as literacy rates and religious traditions, linguistic variables, value surveys and explains the connection of the cultural variables to but also their distinction from other types of variables such as trust and social capital, and their outcomes such as migration, innovation and local development. She also explains how the cultural variables can be incorporated into a more precise econometric modelling, by first reducing adequately the complexity of culture and then addressing its potential endogeneity, identification, and the possibility of confounding institutional and geographic effects.

In the CBD research that the book overviews, the operational aspect of the CBD paradigm is demonstrated through several examples. Some examples include the persistence of regional advantages based on historical human capital concentration, the effect of regional cultural bias in regions of origin and destination for the flows of migration, trade and tourism, the role of trust and cultural compatibility in entrepreneurship, and the effect of innovation-oriented culture on productivity.

In the final part of every chapter of the book, which discusses policy implications, Tubadji essentially argues that development policies often fail because of unresolved cultural issues. The book suggests that cultural resources such as heritage, identity, norms, and creativity are likely to support inclusive development, while cultural differences might affect labor mobility and technology

adoption. The book promotes “culturally intelligent policymaking” that takes into account the enabling and limiting aspects of cultural bias and values history and social identities in economic behavior. This, CBD recommends to be done through the channel of what it terms aesthetic education – an approach related to the operationalisation of the key CBD concept of cultural entropy – which defines as the balanced wiring of the brain with exposure to cultural heritage and living culture related aesthetic experiences.

This book by Tubadji possesses some significant strengths and also some weaknesses that need to be discussed and critiqued. The major strengths of Tubadji’s works are as follows: The primary contribution of Tubadji’s work on CBD is its conceptual innovation and its potential to provide a new dimension of understanding culture as a bias in decision-making processes. The conceptual innovation of Tubadji’s work is significant because it challenges the conventional rational choice paradigm and provides a new perspective on development analysis. The interdisciplinary approach of Tubadji’s is also significant as it provides credibility and a comprehensive approach by integrating different disciplines such as anthropology, psychology, sociology, and economics. The empirical approach of Tubadji’s book is also commendable as it provides a rigorous quantification by using different datasets and applying econometric techniques to measure precisely the significance of culture as a bias in decision-making processes. The policy implications of Tubadji’s framework are also significant as it provides a clear understanding of why culture-insensitive policies fail and offers a quantitative metric for evidence-based policy making. The approach of Tubadji of conceptualizing individuals as culturally biased rather than rational agents is also significant as it is consistent with contemporary developments in economics and provides a new dimension of understanding rationality and behavior.

Nonetheless, some limitations concerning the volume are evident. Despite Tubadji’s comprehensive analysis of measurement instruments, culture as a concept is inherently difficult to be precise about. There is also a scarcity of policy applications. For instance, if one is interested in drawing policy applications from different econometric CBD models, due to the lack of particular qualitative case studies, it is likely that policy discussions will be too broad. Tubadji acknowledges the relationship between culture and institutions and incentives; however, a critical analysis of the limitations of cultural analysis is needed in order to avoid the potential risk of overstating history-cultural factors. This could have helped in making the book more appealing to a wider audience.

Overall, Tubadji’s contribution is significant as it adds value to the dialogue about why culture matters, both theoretically and practically. It challenges us to think about development economics in a different way by arguing that it is not enough simply to talk about capital, technology, or institutions without also talking about cultural patterns that actually drive economic behavior, by defining

culturally WHY we value the capital, technology and institutions and allow them to shape our agency. In this sense, the CBD model is counter-intuitive and challenges conventional wisdom on economic behavior by advocating a much broader and more inclusive analytical framework. The CBD model also extends behavioral economics and institutional economics by broadening the notion of biases from individual psychology to aggregate cultural biases.

Another significant contribution of Tubadji worth special attention is the relevance of the book in regional development economics. Tubadji shows that regional disparities are driven by a complex cultural history intertwined with modern cultural activity rather than simply by economic resources. The model provides a practical tool for analyzing migration, identity, inequality and globalization. At a broader level, the book also speaks to debates around cultural policy and the creative economy by considering cultural heritage and creativity as drivers of economic development rather than afterthoughts. Yet, CBD challenges the literature by requiring this discussion to be meticulously empirically precise, accounting for the economic endogeneity of the cultural sector today and factoring the historical path-dependence of cultural heritage beyond the creative industries activity today at the same time. The book also importantly calls for further work on the link between the world of producing culture and the world that studies and handles culture as a resource for local development – i.e. between economics of culture and cultural economics.

The book "Culture Based Development: Modelling Cultural Bias in Economic Choice" is bold and intellectually ambitious. It is the result of theoretical innovation, interdisciplinary understanding, and evidence-based argumentation, all pointing to the role of culture in economic life. The CBD conceptualisation of culture, in a broad sense, may spark debate regarding clarity, but the strong empirical argument how one handles the complexity of an entity using complexity theory instrumentarium is undoubtedly significant and groundbreaking. Tubadji has created a framework, which is both unconventional from the perspective of economic orthodoxy and presents new avenues for exploration in the social sciences. Various geographies, such as India or China for example, where cultural heritage is complex and living cultural practices and creative industries are blooming today, can specially benefit both in research and policy making from the benefits of this book and the application of the CBD paradigm.

The book is highly recommended for those who want to grasp the role of culture in economic life, and to learn how to approach investigating this link accurately and precisely. Thus, while enough accessibly written for the general audience, the book is most relevant particularly for researchers, students, and policymakers. The book is not only useful from a purely functional perspective but also presents a new perspective on contemporary issues in development, which is likely to remain at the core of debates in the field in the years to come.