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*Gambling on War: Confidence, Fear, and the Tragedy of the
First World War?* by Roger L. Ransom (review)

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Journal of Interdisciplinary History, Volume 50, Number 2, Autumn 2019,
pp. 272-274 (Review)

Published by The MIT Press



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the phenomenon. Rather than Western Europe, the starting point for many historical narratives of Jewish modernization, the intellectually fertile soil in which Jewish materialism took root was the northwest corner of the Russian Empire known to Jews in Yiddish as *Lita*, a term that literally means *Lithuania*, but which, from a Jewish cultural perspective, also included territory in present-day Belarus, Poland, Latvia, and Ukraine. Rather than secularized university students, most of the young Jews who embraced materialism in the 1870s came from traditional Jewish homes, received conservative religious educations, and were inspired, in part, by the declining economic conditions that characterized Jewish life in the Pale of Settlement following the 1860s—conditions that did not exist for the Jews of Germany or France. Indeed, as part of their materialist turn, these thinkers began to employ empirical methods in some of the earliest socioeconomic studies of Russian Jewry.

Stern employs a kind of archaeological method to excavate this stratum of the Russian Jewish experience, one that had long been occluded by the much-studied era of Jewish involvement in radical politics—including the Jewish Labor Bund, various forms of Zionism, the Socialist Revolutionary Party, and Communism—that succeeded it. Indeed, as Stern points out, part of the challenge in reconstructing this history, and one of the reasons that it has taken until now to identify its significance, is that when some of the Jewish materialists of the 1870s later joined these radical movements, they attempted to erase or obscure their earlier positions that did not fully jibe with whatever political orthodoxy they were now embracing. Yet, as Stern passionately argues, the “legacy of the Jewish materialism of the 1870s” continued to impact Jewish intellectual and political developments throughout the twentieth century and into the twenty-first.

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Gambling on War: Confidence, Fear, and the Tragedy of the First World War?
By Roger L. Ransom (New York, Cambridge University Press, 2018)
346 pp. \$84.99 cloth \$27.99 paper

Ransom draws from theories of decision making in social psychology and behavioral economics to explain why political leaders started “a war that nobody wanted, nobody understood, and nobody can forget” (272), and why they did not stop the war earlier once illusions of a quick victory had dissipated. Ransom argues that political and military leaders, faced with uncertainty and driven by fear and overconfidence, gambled on risky strategies that failed and prolonged the suffering without advancing any state interests.

The first chapter lays out the analytical themes underlying the historical narrative. Noting Keynes' argument that human decisions are often driven by "animal spirits" rather than by a rational calculation of costs and benefits, Ransom emphasizes the role of confidence, fear, and the propensity to gamble in human decision making.¹ He analyzes the propensity to gamble through the lens of "prospect theory" from social psychology (19–24).² The theory posits that people overvalue losses relative to comparable gains. They are risk-averse when faced with choices expected to lead to positive outcomes and risk-acceptant in choices resulting in negative outcomes—especially when the current status quo is perceived negatively because of "sunk costs" from recent losses. Under these conditions, people sometimes take bold gambles in the hope of eliminating their losses but in the process incur even greater losses. Ransom uses this logic to explain a number of key decisions embedded in his historical narrative, in which leaders chose to gamble on continuing the war rather than to accept a negotiated settlement that would leave them nothing to show for the destruction, pain, and suffering. German decision makers, for example, chose to resume unrestricted submarine warfare despite the high risk of American intervention because the status quo was unacceptable and because, as a German admiral argued, "we have no other option" (160). As Ransom concludes in the epilogue, "Politicians and generals took risky gambles to attain . . . victory, which only magnified the cost of the war if the gambles failed" (271).

Gambling on War is a highly readable narrative of the diplomatic background, origins, conduct, and termination of World War I. Ransom gives more attention to the conduct of the war than to its origins, providing particularly good accounts of states' economic capacities to continue fighting. In this context, however, he might well have offered a more thorough discussion of the presence or absence of advance economic planning for war, and the implications thereof for various interpretations of the causes of the war.

The analytical themes of fear, overconfidence, and gambling—from the calculations of Otto von Bismarck to the Schlieffen plan and the Ludendorff offensive—distinguish this book from others in a crowded field. Previous historians have emphasized these themes, but Ransom's idea of building upon social-science research allows for a much more rigorous examination of the psychological sources of risk taking and a new way of thinking about decision making leading to the outbreak, escalation, and continuation of the war. Ransom's summary of the prospect-theoretical analysis of risk taking will not satisfy social psychologists or behavioral economists (Ransom draws less from research about fear and

1 John Maynard Keynes, *The General Theory of Employment, Interest, and Money* (New York, 1936), ii.

2 Daniel Kahneman and Amos Tversky, "Prospect Theory: An Analysis of Decision under Risk," *Econometrica*, LXVII (1979), 263–291.

overconfidence), but it is good enough to guide the historical narrative that follows.

The problem lies in the implementation. The historical narrative is only weakly guided by the theoretical framework outlined earlier. In explaining many of the high-risk gambles that continued the war without producing gains, Ransom repeatedly resorts to the overly general concept of “animal spirits” rather than to the more specific and analytically discriminating concepts of loss aversion, sunk costs, and risk-acceptant decision making, which are not prominently mentioned after the first chapter. An analysis guided by these concepts would not be an easy task, given the many difficulties of applying them outside of a controlled experimental setting, but their potential for improving our understanding of key decisions warrants such an effort.³

Despite these limitations, *Gambling on War* is a highly readable narrative that offers an important new perspective on a widely studied and historically transformative set of events and that suggests a potentially fruitful path for future research.

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Difference and Disease: Medicine, Race, and the Eighteenth-Century British Empire. By Suman Seth (New York, Cambridge University Press, 2018) 336 pp. \$39.99

The history of medicine and empire is a robust subject that has drawn the attention of several first-rate scholars over the past three decades, with fresh approaches in ever-more abundance. Although the medical entanglements of many imperial regimes—as well as local resistances and “alternatives”—are now much in evidence, the British Empire continues to dominate the English-language literature, most especially in its “Atlantic” form, much of which is about the Caribbean. To that branch of the literature Seth brings an approach cultivated in the history of science, arguing that the responses of medical authors to the problem of disease and its treatment in the British West Indies gave rise to conceptual distinctions that enabled empire, including what he terms “race-medicine.” From a close reading of the several books written by eighteenth-century English physicians who had experience practicing on the sugar islands, he produces a “postcolonial history of colonial medicine” that is at the same time a self-conscious “history of arguments” about “medical theories” based upon “close reading.” Seth therefore spends two chapters examining how the development of a concern for the “seasoning” of newcomers was not classical Hippocratism, two chapters about how “conceptions of

3 Levy, “Prospect Theory, Rational Choice, and International Relations,” *International Studies Quarterly*, XLI (1997), 87–112.