

## **Session 2 – Have Collective Beliefs Disappeared ?**

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The advances in knowledge and the increasing access to information should contribute to a more rational perception of society and economy. And thus, lead towards the disappearance of collective faiths, false ideas, erroneous representations of reality but considered as true in spite of the empirical obvious fact. But on the cognitive markets, where build up themselves the representations of the state of the world, did these collective faiths disappear? It is doubtful.

We see it in all the domains: the climato-skepticism, the distrust towards vaccines, even the existence of the extra-terrestrials or the reliability of the astrology... On the economic and social plan, the examples of denial of the obvious fact are legion, of the exaggeration of the scale of the immigration and its effects on the unemployment in the erroneous conviction which the standards of living of the poorest stop moving(putting) back in France. The examples of this type abound in the last book of Hervé Le Bras: " feel sick in France which is well "!

Where from come then these collective faiths? How does the denial of the reality come to feed the rhetoric of the decline or the insecurity, the source(spring) of social and political confliction, and to engender the populist folds, and, in extreme cases, fortunately very rare, the religious fanaticism?

Such is the object of this session that to wonder about the origin and the dynamics of the collective faiths, and to estimate the effects on the confidence(trust). This theme recovers in reality several types of issues.

First of all, spot(locate) and rank(organize into a hierarchy) the most important collective faiths under the angle of their economic effects. To believe in Santa Claus or in the predictive capacities of the astrology obviously has nothing to do with the faith only the disparities of income in France are deteriorated(aggravated) by the fiscal or redistributive policies, or still which the protectionism will have only positive effects on the employment(use) and the consumer purchasing power.

Then, understand(include) the processes which engender them. How to explain not only the office(durability) of the collective faiths, but also their cyclicité, their emergence and their degeneration, according to the individual situations or to the macroeconomic situation, but also in answer to exogenous shocks of political, geopolitical, religious or ideologic characters ?

What are springs and in what contexts have these collective faiths most chances to proliferate?

Also, estimate the consequences on the economic or societal plan. And it, quite particularly under the angle of the collective confidence and, by there even, the decisions of savings or investment, or as regards the acceptability of the "reforms" And of the attitude in front of change, either still near the consent in the tax or of the approval brought to the public politics regarding redistribution?

Finally, answer these collective faiths to limit the most unwanted effects. How to counterbalance these collective faiths, and oppose it? And who has to have the load? The elected representatives? The media? The intellectuals? The economists? The school? The University? And by mobilizing which

types(chaps) of supports(media)? On all the cognitive markets? By making a commitment on the Internet and the social networks?

We shall formulate here, in introductory title, some introductory remarks likely to begin(prime) the debates which this session of the economic Meetings of Aix-en-Provence 2019 should arouse. Why are the individuals led(driven) to share false ideas, shams, in brief collective faiths? Partially, it is(is a matter) of the manipulation or the strategies of influence that lead States, lobbies, political parties, making an excessive use of the credulity so far.

But the collective faiths are(are a matter) of more fundamental springs(competences), in this particular case of uncountable "biases" which introduce of the "noise" into the perception(collection) of the reality.

The economic theory gives on this matter a perspective based(established) on a hypothesis of behavior more wide-spread than we believe it: the denial of the information (" information avoidance "). We postulate(apply) too often that the human behavior, not only is completely rational, to maximize the well-being of each, but also that they use for that purpose all the available information. Yet(now), this hypothesis is widely contradicted by analyses today which show, on the theoretical plan and from empirical experiments, that an important part of the citizens or the economic agents does not want to know what the situation is. They lead strategies of avoidance or denial of the information. They écartent volontarily any information likely to contradict their preliminary opinions or their convictions.

He is clearly seen when, in spite of recurring pathological signs on his health, an individual listens to no verbal warning coming from his close friends and refuses to visit his doctor until the pathology deteriorates and until the pain takes him on the denial. Quite a lot of holders of financial assets count exactly the valuation of their wallet when the courts increase and tend on the contrary to neglect or to postpone this calculation when the courts fall. There are many company directors who avoid or refuse to pay attention to information, on the successes of the competitors or the evaluation criticizes financial markets, which would be likely to counter their faiths or question the relevance of their strategies.

The methods of avoiding or denying information are multiple: outright refusal to consult such or such information medium, inattention to certain sources, biased interpretation by judging any information to be unbiased contrary to its original beliefs... There are several reasons for this attitude: aversion to the disappointment that some information could provide, anxiety about the consequences of it if it proved to be accurate, aversion to the regret of having believed, unduly averse to revising one's beliefs that information could induce, the cost of dissonance from one's reference group... These behaviors of denial or avoidance of certain information are tenacious, we see with climato-sceptics. But this means that relevant information and understanding of reality, the sources of rational economic choices, may be second to conventions, beliefs or partisan manipulation. Confidence is dwindling, the legitimacy of the elites is declining, that of the "sachants" and that of the "powerful", and all this leaves room for collective opinions. In this process, many biases combine. Denial of relevant information results from a "confirmation bias" or "selection bias", in this case preference for stylized ideas or facts that confirm a prior conviction, rather than for those who might come to contradict it. Added to this is the "bias of simple ideas", as complexity creates a form of vertigo in the face of a lack of necessary knowledge or statistical laws, ideally supplanted by misconceptions, shortcuts and even scapegoats. It is no longer the universe of reasoned rationality, but that of the «heuristics of judgements», as Daniel Kahneman and Amos

Tversky have shown, and thus a world where the readings of society are reduced, in many cases, to approximate or even erroneous cognitive shortcuts, where perception, reason and passion merge (“wishful thinking”).

But if collective beliefs are a “natural slope of the human mind,” as Gerard Bronner notes, they also respond to social contexts or economic or political circumstances that favour their emergence and permanence. This is the case in periods of slower growth or phases of large-scale crises when anxiety about the future increases and when the inefficiency of the elites undermines their credibility and undermines the confidence was conceded. It is populism, this electoral choice contrary to the interests of the greatest number, which then confirms the victory of collective beliefs.