



Economics and Psychology in Historical Perspective Paris, 18-20 december 2014

Final programme (as of December 16, 2014)

Venue: Maison des Sciences Economiques – 106-112 bd de l’hôpital – 75013 Paris
Organizers : Mikaël Cozic (UPEC, IUF & IHPST) & Jean-Sébastien Lenfant (U. Lille 1)
Webpage : <http://eco-psycho.sciencesconf.org/>
Contact : ecopsycho@rationalite.org

Thursday, December 18, 2014

8.30-9.00 Registration

9.15-10.30 – INVITED TALK 1 – 6th floor (Chair: Luigino Bruni)

Robert Sugden (U. of East Anglia)

Preference purification and the inner rational agent: a flawed model in behavioural welfare economics

Abstract: Neoclassical economics assumes that individuals have stable and context-independent preferences, and uses the satisfaction of those preferences as a normative criterion. By calling this assumption into question, the findings of behavioural economics are causing fundamental problems for normative economics. In this paper, we critically evaluate a response to these problems that has been advocated by prominent behavioural economists and endorsed by a leading philosopher of economics. The idea behind this approach is that when an individual's decisions are inconsistent with defensible assumptions about rational choice, those decisions can be treated as mistakes. The task for welfare economics is then to reconstruct the preferences that the individual would have acted on, had her reasoning not been distorted by whatever psychological mechanisms are responsible for the mistakes, and to use the satisfaction of these purified preferences as a normative criterion. We argue that this approach implicitly uses a dualistic model of the human being, in which an inner rational agent is trapped in an outer psychological shell. The inner agent is pictured as the locus of the identity of the human being and as the source of normative authority about its interests and goals. There is no attempt to represent the psychology of this agent; its rationality is taken as given. The psychological mechanisms that induce deviations from supposedly rational choice are treated as properties of the outer shell that can prevent the inner agent from achieving its objectives. Whether viewed in the perspective of psychology or of philosophy, this model is problematic

10.30-10.50 *Coffee break – 2nd floor*

10.50-12.35 - SESSIONS 1A and 1B

1A – Models of rationality – 6th floor

(Chair: Floris Heukelom)

Guilhem Lecouteux

Ecole Polytechnique ; guilhem.lecouteux@polytechnique.edu

The *Homo Oeconomicus* and the *Homo Psychologicus*

Enrico Petracca

University of Bologna ; enrico.petracca2@unibo.it

A tale of paradigm clash: Simon, situated cognition and the interpretation of bounded rationality

Armelle Mazé

INRA AgroParisTech; maze@agroparistech.fr

Learning models of cognition and institutional change. Extending the New Institutional Economics perspective

1B – Smithian themes – Room 116

(Chair: Annie Cot)

Elias Khalil

Monash University, Melbourne ; elias.khalil@monash.edu

Back to Adam Smith: sympathy as the basis of rational choice

Emmanuel Petit

University of Bordeaux 4 ; epetit@u-bordeaux4.fr

The relevance of Adam Smith's concept of sympathy in behavioural economics.

Laurie Bréban

University Paris 8 ; laurie.breban@univ-paris8.fr)

Smithian sympathy: from cognition to emotion

12.35 –14.00 – *Buffet lunch – 2nd floor*

14.00- 16h20 – SESSIONS 2A and 2B (3*2 contributed papers)

2A – The psychology of the economic man
(Chair: Harro Maas)

Luigino Bruni

Lumsa Università ; luigino.bruni@gmail.com

Awards, rewards, intrinsic motivations and civil economy: Giacinto Dragonetti

Michael Quin

UCL Faculty of Laws ; m.quinn@ucl.ac.uk

Jeremy Bentham, Werner Stark, and “the psychology of economic man »

Marek Hudik

(Center for Theoretical Study, Charles University, Prague, marek.hudik@gmail.com)

Psychology and Economics in the first half of the 20th century: small gains from trade.

2B – Social psychology and economics – Room 116
(Chair: Annie Cot)

Katia Caldari

(Università Padova, katia.caldari@unipd.it)

From psychology to *social psychology*: The evolution of Marshall’s economic approach.

Guido Baggio

(Pontifical Salesian university, guidobaggio@hotmail.com)

The influence of Dewey's and Mead's functional psychology on Veblen's evolutionary economics.

Pierrick Dechaux

Paris 1 University ; pierrick.dechaux@gmail.com

Experimenting at the macroeconomic level: the methodological difficulties faced by the program of Macropsychology

Pawel Kawalec

John Paul II Catholic University of Lublin, pawel.kawalec@kul.pl

A Hypothesis on G. Katona’s influence upon the development and adoption of cognitive maps for simultaneous causality

16.25-16.45 – *Coffee break – 2nd floor*

16.50 -18.00 – SESSION 3 (Plenary, contributed papers) – 6th floor
From behavioral sciences to behavioral economics – (Chair: Louis Lévy-Garboua)

Roberto Fumagalli

(Universität Bayreuth, R.Fumagalli@lse.ac.uk)

Economics, psychology and the neuroscience wave: rewriting the tale.

Michiru Nagatsu (University of Helsinki ; michiru.nagatsu@helsinki.fi)

Has behavioral economics really become mainstream? A critical re-assessment.

18.30 – Cocktail – 2nd floor

Friday, December 19, 2014

9.00-10.15 - INVITED TALK 2 – 6th floor – (Chair: Robin Hogarth)

Philippe Mongin (CNRS & HEC Paris) - **The Allais Paradox: How to Recover its Lost Meaning**

Abstract: Few problems in decision theory have raised more lasting interest than the Allais paradox. After it has been so carefully studied from within decision theory itself, the time may be ripe for history and philosophy of science to join in the discussion. Historically speaking, we will revisit the celebrated Paris 1952 conference in order to locate the paradox in the discursive strategies of the time. We will conclude from this examination that both Allais and his opponents took it to be an exclusively normative argument. However, the connection with "the rational man" became lost to view when decision theorists began investigating the paradox on a grand scale. They interpreted it as a mere empirical refutation, in accord with the also empirical trend prevailing in non-expected utility theories. Philosophically speaking, we will question this shift in interpretation. Not denying that it involved some definite methodological advantages for decision theory, we will argue that it nonetheless missed an essential feature of this field - that observed behaviour is informative only if agents are prepared to endorse it, thus endowing it with some normative value. As reconstructed here, Allais initiated a new kind of experiment work, to be conducted only with rational subjects, who could be selected either simply from the outside or, in a much more subtle way, within the experiment itself. The paper ends up exploring, and actually defending, this latter variant, taking some early experimental writings of the 1970s as a source of inspiration. (This presentation is based on "Le paradoxe d'Allais : comment lui rendre sa signification perdue", *Revue économique*, 65, 2014, p. 743-779. Downloadable version: http://papers.ssrn.com/sol3/papers.cfm?abstract_id=2290496)

10.15 -10.40 *Coffee break*– 2nd floor

10.45-12.30 - SESSIONS 4A and 4B

4A – Decision and utility – 6th floor

(Chair: Jean-Marc Tallon)

Carlo Zappia

University of Siena ; carlo.zappia@unisi.it

Daniel Ellsberg and the validation of normative propositions by means of experiments

Paul Weirich

University of Missouri ; WeirichP@missouri.edu

Subjective probability

Ivan Moscati

University of Insubria ; ivan.moscati@uninsubria.it

Measuring Utility by Experiments and Axioms in Economics and Psychology, 1955-1965

4B – Austrian themes – Room 116 –

(Chair: Michael Quinn)

Mario Rizzo (New York University, mario.rizzo@nyu.edu)
The problem of rationality. Austrian economics between classical behaviorism and behavioral economics

Richard Arena and Lauren Larrouy (Nice Sophia Antipolis university ;
arena.unice@gmail.com , laurenlarrouyll@gmail.com)
The role of psychology in Austrian economics and game theory: subjectivity and coordination.

William Fisher
(University of California, Berkeley; wfisher@berkeley.edu)
The individual and the social in economics and psychology: Hayek, Tarde, Rasch, and Implications for models, measurement, and management.

12.30-14.20 *Buffet lunch – 2nd floor*

14.20-15.35 - INVITED TALK 3
Floris Heukelom (U. Nijmegen, Netherlands) – 6th floor
(Chair: Robert Sugden)
Generalized characterization or falsifiable description? An epistemological history of economic behavior

Abstract: Since its emergence in the late eighteenth century, the discipline of economics had been grounded in principles, or doctrines, that were understood as generalized characterizations of the economy. Starting in the early twentieth century, however, the economic discipline gradually shifted to grounding its theorizing in descriptions that were directly amenable to empirical refutations. Behavioral economics is both a result and catalyst of this epistemological shift, which is neatly captured in its recasting of economists' traditional, Humean positive-normative distinction, into an experimental psychological dyad of normative and descriptive.

15.40-16.00 *Coffee break – 2nd floor*

16.00-18.20 - SESSIONS 5A and 5B

5A – Happiness and development issues – *6th floor*
(Chair: Richard Arena)
Gabriel Leite Mota
University of Minho ; galeitemota.ac@gmail.com
The utility of Kahneman: the importance of Daniel Kahneman for the birth and consolidation of the economics of happiness

Shiri Cohen
The Hebrew University ; coshiri@gmail.com
Happiness studies and the problem of interpersonal comparisons

Rustam Romaniuc
(University of Montpellier; rustam.romaniuc@gmail.com)
The integration of intrinsic motivation into economic analysis

Roberta Muramatsu
Mackenzie Presbyterian University, robertamuramatsu@gmail.com
Making sense of the behavioral turn in development economics: An interpretation informed by philosophy and history of economics.

5B – Identity and morality in decision making – Room 116
(Chair: Paul Weirich)

Miriam Teschl

University of Vienna ; miriam.teschl@univie.ac

Internal conflict in decision making

Pietro Guarnieri

University of Siena ; pietro.guarnieri@gmail.com

Dual morality in economics. Problems and opportunities of dual-process approach to moral decision-making

Tom Juille

Nice Sophia-Antipolis University ; tom.juille@gredeg.cnrs.fr

Identity economics

Cyril Hédoïn

University of Reims ; cyril.hedoïn@univ-reims.fr

Separating Economics From Psychology: A Philosophy of Science Examination of the Significance of Multiple Selves Models in Economics

19.45 – Social Dinner

Restaurant Pharamond (Châtelet-Les Halles neighbourhood)

Saturday, December 20, 2014

9.00 -10.15 - INVITED TALK 4 – *6th floor*

(Chair: William Fisher)

Robin Hogarth (U. Pompeu Fabra) - When psychology met economics: A view from 2035

10.15-10.35 *Coffee break – 2nd floor*

10.40-12.25 SESSION 6 (Plenary, contributed papers) – *6th floor*

Biases and anomalies - *6th floor*

(Chair: Wade D. Hands)

Jean-Sébastien Lenfant

Lille 1 university ; jean-sebastien.lenfant@univ-lille1.fr

Who is afraid of intransitivity?

The fate of Amos Tversky's 1969 "Intransitivity of preferences" in economics (and in psychology)

Dorian Jullien

Nice Sophia Antipolis University ; dorian.jullien@gredeg.cnrs.fr

Language as behavior: the structure of framing phenomena

PöI-Vincent Harnay

OCDE ; pvharnay@gmail.com

The "wording effect", from Edwards to Tversky and Davidson.

12.25 -13.50 *Buffet lunch – 2nd floor*

14.00-15.10 SESSION 7 (Plenary, contributed papers) – *6th floor*

Wifi access:

Login: Colloque2

Password: dflv6342

Directions for the Conference Dinner on Friday

Friday, 19 December, 19.45 hrs

Restaurant **Pharamond** (<http://www.pharamond.fr/>)

24, rue Grande Truanderie 75001 Paris

By Bus (direct): outside the MSE building, turn left and take **line 67** direction **Pigalle** at the station **Jenne-Jeanne d'Arc**. Stop at the station **Châtelet**. Take the boulevard de Sébastopol (the Seine is in the opposite direction) and then turn left rue de la Grande Truanderie.

By Metro (direct): outside the MSE building, turn right until the **Place d'Italie**. Take **line 7** direction **La Courneuve**. Stop at the station **Châtelet**. Take the rue Saint Denis, go across the rue du Rivoli and take the rue des Halles. Turn right on rue Sainte-Opportune until you reach rue de la Grande Truanderie, and turn left.



