



Culture and Economics

5th International Economic Philosophy Conference
23-25 Jun 2021 Warszawa (Poland)

John Dewey: an open door to the economics of emotions

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The place of emotion in economic theory

- ✓ The "rationalization" of emotions in the standard theory (Becker, 1978 ; Elster, 1998 ; Petit, 2015).
- ✓ The "forgetting" of emotions in institutionalist theory:
 - "moral feelings" (Gustav von Schmoller), "instincts" (Veblen); "impulses" (Hayek); "futurity" (Commons).
 - No trace in the New Institutionalism (Patalano, 2010): "cognitive" approach (Simon, North). With the exception of Hanoch (2002), Kaufman (1999).

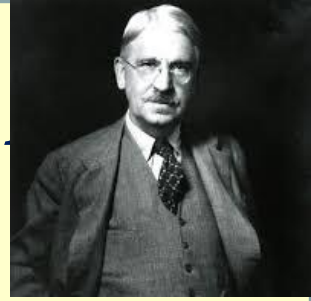


John Dewey, institutionalism and emotion



- ✓ The pragmatists (Peirce, James, and Dewey) were influential on Veblen and Commons (Albert and Ramstad, 1998a, 1998b).
- ✓ In Dewey, the focus is on habits (Pratten, 2015) but also on their "transformation."
- ✓ Emotion is at the heart of this transformation process.

Some of Dewey's writings that integrate the emotions



- **The theory of emotion.** *Psychological review*, **1895**, vol. 2.
- The reflex arc concept in psychology. *Psychological review*, 1896, vol. 3, no 4.
- ***Human Nature and Conduct: Introduction to Social Psychology.*** New York, Henry Holt and Company, **1922** .
- The Public & its problems. An Essay in Political Inquiry. Henry Holt & Company, 1927.
- The quest for certainty: A study of the relation of knowledge and action. *The Journal of Philosophy*, 1930.
- ***Art as experience.*** New York: Minton, Balch, and Company, **1934**.
- *Knowing and the known.* Boston, Beacon press (with Bentley, A. F.), 1949.

Dewey's influence on institutionalism

✓ A non-dual approach

« Individuals begin as babies. They learn the habit of language, of cooperation between individuals, of working towards common ends, of negotiating to eliminate conflicts of interest, of subordinating themselves to the operating rules of the many groups of which they are members. [...] Rather than isolated individuals in a state of nature, they are always participants in transactions, members of a group in which they come and go, citizens of an institution that lived before them and will live after them » John Commons (1934).



John Commons (1862-1945)

Dewey's influence on institutionalism

✓ A thought of the “transaction”

- ❖ For Commons, the elementary unit of analysis is the transaction, which reflects social interactions embedded in systems of rules. Institutions result from individual actions, but they in turn condition them.
- ❖ “The term 'interaction' [between **organism** and **environment**] is a **dangerous** one, since it can easily be understood to involve two or more prior existences" (Bentley and Dewey, 1949).
- ❖ The transaction involves taking into account **how the relationship** between the subject and its environment **has been constructed over time**.

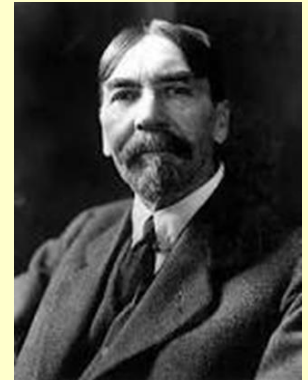
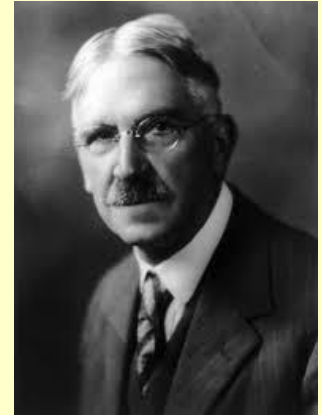
Dewey's influence on institutionalism

✓ The specific role of habits

❖ « *Man is a creature of habit, not reason, nor yet of instinct* »
(*Human Nature and Conduct*, 1922).

➤ Instinct here refers to an emotional impulse.

❖ « **Habits of thought result from habits of life.** Whether intentionally directed toward the education of the individual or not, the discipline of daily life has the effect of modifying or reinforcing the **inherited institutions** in which men live » Veblen (1901).

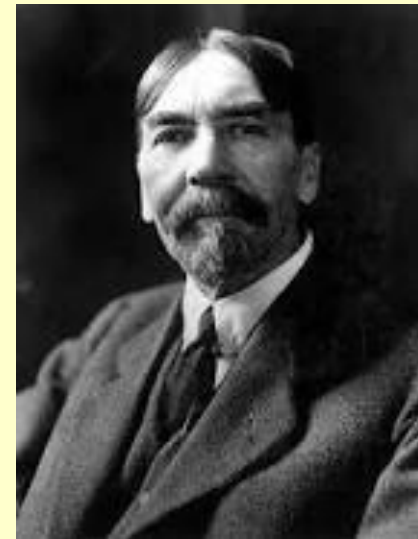


Dewey's influence on institutionalism

✓ A philosophy of experience

❖ « The growth and mutations of the institutional framework result from the conduct of the individual members of the group, since it is from the experience of the individuals, through their habituation, that the institutions are born; it is on this same experience that the institutions act to direct and define the goals and purposes of conduct » Veblen (1909).

❖ For Dewey, experience is an "activity" of transformation of a relationship between a subject and its environment.



Emotion, which has not been passed on to institutionalists

✓ Dewey's "definition" of emotion

- ❖ « A human life would be too short to render with words a single emotion »
(*Art as experience*, 1934).
- ❖ Emotion is not an **autonomous, isolated** or purely **internal** phenomenon.
- ❖ It is not either **universal**.
- ❖ The emotion is not a simple "externalization", an "**immediate discharge**" (*Art as experience*, 1934).
- ❖ Emotion is close to an **affective memory** which is **continuously and dynamically** built in relation to our environment.

The emotion at the origin of the experience

- ✓ Emotion is a catalyst of the experience
- ❖ Emotion is at **the very origin** of the experience since it constitutes the "**trouble**" which affects the subject and makes him enter the experience. "Emotion is the conscious sign of a present and imminent **rupture**" (*Art as experience*, 1934).
- ✓ Emotion drives and unifies the experience
- ❖ « It is the emotion that allows to find the *right word* [...] the exquisite harmony of proportions » (*Art as experience*, 1934).

Emotion is a driving force for change

- ✓ A bifurcation in the construction of habits
- ❖ Emotion has a deeply "ordinary" nature (Formis, 2011).
- ❖ Through emotion, the individual perceives that the system of rules, the **habits** he or she follows, are not or **no longer adapted** to the context he or she faces.
- ❖ Emotion is more than a "**revision process**" of our beliefs and preferences (Livet, 2002).
- ❖ In fact, emotions, when they make sense, are “**qualities of a complex experience that progresses and evolves**” (*Art as experience*, 1934).

In a nutshell

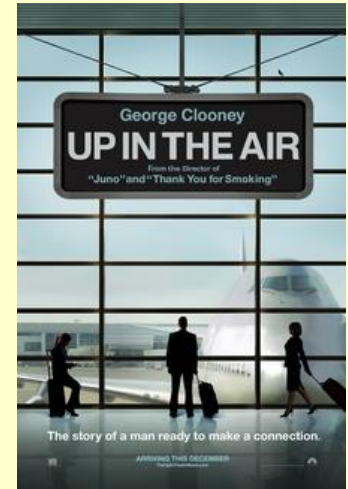
- ✓ (Old) institutionalism takes up the approach of the pragmatists (and in particular that of Dewey) around the notion of transaction, habit, experience and absence of duality.
- ✓ Institutionalism neglects the role of emotion in the transformation of habits and the institutions associated with them.
- ✓ Emotion has a "relational" nature. It performs the link in a dynamic and continuous way between the subject and its environment.

Do emotions change institutions?

- ✓ We illustrate the role of emotion on the modification of institutions through a recent example, the "France Telecom" case.
- ✓ This example is relevant from an institutionalist perspective, because as Bazzoli and Kirat (2010) point out, John Commons opens up an analysis of corporate social responsibility.
- ✓ The France Telecom trial took place in December 2019 and led to the conviction of the president and chief executive officer for "institutional moral harassment."

The “France Telecom’s Case”

- ✓ In 2006-2008, **stress management rules** were put in place with the aim of "massively reducing the workforce".
- ✓ « *In 2007, I will make the departures one way or another, through the door or through the window* »
Didier Lombard.
- ✓ These management methods have led to **waves of suicides** (23 between 2008 and 2009).



A testimony...

« I commit suicide because of my work at France Telecom. It's the only cause. Permanent urgency, work overload, total disorganization of the company, **management by terror**. I have become a wreck. It's better to end it. People will say that there are other causes. But no, I insist on that, it's really the work that caused this and therefore it's really France Telecom that is responsible for my suicide ».

Michel Deparis, 50 years old, France Telecom employee

A cascade of "institutional" reactions

- ✓ Setting up of an Observatory of Stress and forced mobility (set up in 2007 by the by the unions).
- ✓ Change in the head of the company in 2010.
- ✓ A historic trial 10 years later!
- ✓ An unprecedented judgment for “institutionnal moral harassment” which reveals and condemns the:
 - ✓ Transformation of the company at a "forced march" between 2007 and 2010
 - ✓ Use of "methods that destabilized the employees and created an anxiety-provoking professional climate”

A dynamic analysis of emotions and institutions

- ✓ First of all, the **emotion arises** from the disorder affecting the subject: the wave of suicides in the case of France Telecom.
- ✓ Secondly, emotion is **an agent of completeness of experience**, of connection and unification of experience: beyond the raw emotion implied by the suicides, **collectives organize themselves to report**, document, and finally bring to justice **the troubled situation**.
- ✓ Finally, the **disruptive role of the emotion** is to be connected to the fact that the experience is above all **a projection in time**, the idea of a future.

A word to the wise



"To say that emotions do not combine with intelligence are blind is a truism. Similarly, intense emotions can be expressed through the destruction of institutions. But if one seeks to *improve institutions*, only the alliance of emotion and intelligence is a guarantee of progress"

Dewey, 1934, *A common faith*



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Thank you very much for your attention !

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