THE SENSE OF US

Ricardo Hausmann
A lot has happened since we last met...
England humiliated as Iceland knock them out of Euro 2016

England 1 - 2 Iceland

Wayne Rooney 4 Pen
Ragnar Sigurdsson 6
Kolbeinn Sighlothorsson 18

Euro 2016 Allianz Riviera
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Central Europe in the XIII Century

Political Maps Of the XIV Century
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REAL VOTERS, REAL CHOICES

TRUMP SUPPORTERS DEFEND MUSLIM TRAVEL BAN
In the meantime, at CID...
INQUIRY
INTO THE
NATURE AND CAUSES
OF THE
WEALTH OF NATIONS.

By ADAM SMITH, LL.D. F.R.S.

WITH
A LIFE OF THE AUTHOR.

A VIEW OF THE DOCTRINE OF SMITH, COMPARED WITH THAT OF THE FRENCH ECONOMISTS; WITH A METHOD OF FACILITATING THE STUDY OF HIS WORKS; FROM THE FRENCH OF M. GAILLARD.

IN THREE VOLUMES.
VOL. I.

LONDON:
PRINTED FOR J. MAYNARD, PANTON STREET, HAYMARKET; AND F. ZINKE, 548, STRAND.

1811.
Endodontic therapy

Endodontic therapy is a sequence of treatment for the pulp of a tooth which results in the elimination of infection and protection of the decontaminated tooth from future microbial invasion. This set of procedures is commonly referred to as a "root canal." Root canals and their associated pulp chamber are the physical hollows within a tooth that are naturally inhabited by novo tissue, blood vessels and other cellular entities. Endodontic therapy involves the removal of these structures, the subsequent cleaning, shaping, and decontamination of the hollows with tiny files and irrigating solutions, and the obturation (filling) of the decontaminated canals with an inert filling such as gutta percha and typically a eugenol-based cement.

After endodontic surgery the tooth will be “dead,” and if an infection is spread at apex, root end surgery is required.

Although the procedure is relatively painless when done properly[citation needed], the root canal remains a stereotypically fearsome dental operation, and, in the United States, a common response to an unpleasant proposal is, "I'd rather have a root canal."

Contents

1 Root canal treatment
2 Innovation
3 Procedural accidents
4 Success and prognosis
5 Systemic issues
6 Alternatives to root canal treatment
7 See also
8 References
9 External links
In the XIXth century, there was no distinction between occupations and industries.
The Theory of Economic Development...
Modern Technology Involves Teams
Immigration matters.
Inmigrantes

Hong Kong
Singapore
Israel
Switzerland
Australia
Canada
Austria
United States
Spain
Germany
Costa Rica
France
Denmark
Russian Federation
Italy
South Africa
Argentina
Venezuela, RB
Panama
Uruguay
Turkey
Chile
Bolivia
Mexico

Abril, 2015
The developing world is very closed to immigration

Singapore 1 in 2.4
Panama 1 in 24
Mexico 1 in 240
Colombia 1 in 400
Attempting to answer this question with Homo Economicus...
HOMO ECONOMICUS

• We are all autonomous individuals

• We have preferences, of which there is not much to say
  • De gustibus non est disputandum

• We face constraints

• We have a brain and use it to figure out what we like best, given our preferences and the constraints we face

• Why would two people make different choices
  • Because they have different preferences
  • Because they face different constraints
How does Homo Economicus explain political economy?

• Why do two countries make different choices?
  • Because its citizens have different preferences
  • Because its citizens face different constraints
  • Because they aggregate their preferences through different political systems
    • First past the post vs proportional representation
    • Popular vote vs. electoral college

• This is the scope of the “thinkable” in this paradigm

• Behavioral economics has been one critique of homo economicus
  • Claim: we are less able to figure out what we should do than what is assumed
An Emerging Critique

• We believe we have a brain, which we use
• We don’t have brains; our brain have us
  • We are not the ghost in the machine, Gilbert Ryle
• We are an illusion created by the brain
A MIRROR
MIRRORING
A MIRROR - I AM
A STRANGE LOOP,
DOUGLAS HOFSTADTER

ANTONIO DAMASIO
SELF COMES TO MIND
CONSTRUCTING THE CONSCIOUS BRAIN

“Self Comes to Mind is a big idea book penned by a lucidious thinker...[it] beautifully0formulating and narrating work.” —THE DALLAS MORNING NEWS
The Brain, The Mind, The Self

- The brain creates a mind that is aware of its surroundings
- The mind can look at itself: this creates a “strange loop” Hofstadter
- The self is a relation between the self and its own self; Kirkegaard
- Self comes to mind – Antonio Damasio
- Self is autobiographical; interprets things in sequence, as in a narrative
- The brain is bigger than the mind and the mind is bigger than the self
- There are many things that the brain or the mind know how to do, but you do not
The Self And Others

- The self sees the world as composed of two types of elements:
  - Things and beings
- Things move according to the laws of physics
  - We (and dogs) can catch balls and Frisbees
- Beings move because of intention
- The brain assigns significant resources to understand the intentions of others
  - Theory of mind:
  - Mirror neurons
  - Autism
THE SELF and OTHERS
Things and Beings
Our Minds
THE SECRET OF OUR SUCCESS
HOW CULTURE IS DRIVING HUMAN EVOLUTION
DOMESTICATING OUR SPECIES
AND MAKING US SMARTER

JOSEPH HENRICH
We are a Highly Cooperative Species
How do we sustain cooperation?

How do we contain the free-rider problem?
Guilt
Shame
Outrage
Gossip Pleasure
Social Pain
We are not who we think we are. We are not who others think we are.

We are who we think others think we are.
The remnants of a history of little interaction

- In Alaska, **19 languages**
- In Mexico, **over 130 languages**
- In Cameroon, **over 230 languages**
- In Indonesia, **over 700 languages**
- In India, **over 1600 languages**
What is the sense of us that underpins the state?

IMAGINED COMMUNITIES
BENEDICT ANDERSON

"A brilliant exegesis on nationalism"
The Nation

NEW EDITION
Central Europe in the XIII Century
Middle Ages to the Modern Era
The Industrial Revolution

An Assembly Line of the Ford Motor Company
What did the Industrial Revolution need?

• A larger accessible market
  • Larger political entities

• A larger set of public goods
  • Education, health, pensions, unemployment insurance, infrastructure

• The first requires a broader “sense of us”

• The second requires a deeper “sense of us”
The Unification of Germany and Italy circa 1871
Cooperation is grounded first and foremost in moral sentiments.

A sense of belonging and loyalty to us.
The Founding Myths help underpin the Sense of Us

• The Old Testament
  • Oldest part of the Old Testament is the Book of Judges and Samuel 1-2.
  • It tells the story of 12 tribes that decide to form a political union
  • Genesis tells the origin of the 12 tribes: they are brothers, sons of Jacob

• The US Constitution and the Myth of the Founding Fathers
  • The Founding Fathers bequeathed an incredible political arrangement
  • Thanks to it the US achieved freedom and prosperity
  • Were it not for the Founding Fathers, the US would look like... Canada

• The Nation-States in Europe based on language
  • The “us” was ethnic: the network of people you could communicate with
  • Complicated to unscramble the eggs
State formation in the developing world

Very heterogeneous paths
State functions in the colonial era

• The Industrial Revolution lead to the possibility to deploy goods and technologies
• This required some “state functions” and accessible markets
• But much of the world lacked states that could provide these functions
• Britain stumbles into Empire in India, through the East India Company
• The territories colonized through the “Scramble for Africa” in the 1890s did not really have large areas under unified control
Paths to state formation

• Ancient States: China, Ethiopia, Thailand, Afghanistan
• Latin America (circa 1820): 18 states, one dominant language. One dominant religion, race differences
• Arab states (circa 1950s): The collapse of the Ottoman Empire, 19 states, one language, one dominant religion
• India / Pakistan (1947): 1650+ languages, many religions
• Sub-Saharan Africa: 53 states, over 2000 languages
When identities are not shared, your loyalty is to your group to the exclusion of other groups.
Who we think we are affects whether we should tax ourselves to help "them"?

From Peter Hall: The Political Sources of Social Solidarity
Back to our original question

Why so closed to foreigners?
Quotas on foreign skilled workers are very common

- Ireland: maximum 50% non-EU citizens
- Kazakhstan: maximum 30% foreign
- Egypt, Guatemala, Panama: maximum 10% foreign
- Cambodia: maximum 6% foreign
- Dem. Rep. Congo: maximum 4% foreign
- Ghana, Mozambique, Nigeria, Thailand: 1 or 2 per firm
SUMMING UP

• Development requires technological diffusion
• For that to happen, a capable state is needed
• ...and the mixing of knowhow from abroad
• A capable state requires an “imagined community”
• ...deep enough to agree on complex public goods
• ...broad enough to allow the mixing of new forms of knowhow
• Many states, rich and poor, are stumbling on a shared sense of us
WHAT WILL BE THE FUTURE SENSE OF US?
THANK YOU