Public Disagreement[*]

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Abstract

Members of different social groups often hold widely divergent public beliefs regarding the nature of the world in which they live. We develop a model that can accommodate such public disagreement, and use it to explore questions concerning the aggregation of distributed information and the consequences of social integration. The model involves heterogeneous priors, private information, and repeated communication until beliefs become public information. We show that when priors are correlated, all private information is eventually aggregated and public beliefs are identical to those arising under observable priors. When priors are independently distributed, however, some private information is never revealed and the expected value of public disagreement is greater when priors are unobservable than when they are observable. If the number of individuals is large, communication breaks down entirely in the sense that disagreement in public beliefs is approximately equal to disagreement in prior beliefs. Interpreting integration in terms of the observability of priors, we show how increases in social integration can give rise to less divergent public beliefs on average.