

D. Kahneman. (2011). *Thinking, Fast and Slow*. New York, NY: Farrar, Straus and Giroux. 499 pages.

Reviewed by Kenneth Watson

It is remarkable how seldom program evaluators reflect on the possibility of being wrong. Business literature and business school cases, by way of contrast, include among their number a reasonable leavening of illustrative business catastrophes aided and abetted by strategy consultants. The evaluation literature is almost devoid of such material. When was the last time you read an article in CJPE that described an evaluation that produced wrong and disastrous advice?

This is an interesting question because the “Canadian model” of program evaluation does not generally limit itself to an analysis of an existing program but almost always expects that the evaluator(s) will make recommendations about how the program could be redesigned to be more effective in future. Fairly frequently, in my experience, this leads to evaluators stepping outside their competence. Being able to ascertain whether a certain program design led to its target results is one thing. Being able to produce a new design that will do better is something else. However, evaluators attempt it all the time. Apparently they are never wrong.

Daniel Kahneman, the 2002 Nobel Laureate in Economic Sciences, is one of the seminal theorists in behavioural economics (he is a psychologist by profession). He thinks all the time about being wrong. With his collaborator, the late Amos Tversky, he produced a large and influential body of work exploring how people actually make decisions, with an emphasis on heuristics (rough decision-making in the absence of complete evidence). He is most well known for his insights about common biases in heuristics.

In 2011, he authored a book entitled *Thinking, Fast and Slow* that, in exactly 500 pages, surveys the topics on which he has spent a lifetime of thinking, teaching, and writing. It is divided into five parts as follows:

1. Two Systems (including a chapter on “A Machine for Jumping to Conclusions”)
2. Heuristics and Biases (including a chapter on “Taming Intuitive Predictions”)
3. Overconfidence (including chapters on “The Illusion of Understanding” and “The Illusion of Validity”)
4. Choices (including a chapter on “Frames and Reality”)
5. Two Selves—the experiencing self and the remembering self (including a chapter on “Life as a Story”).

There are also, for the theoretically minded, two long appendices on “Judgment under Uncertainty” and “Choices, Values and Frames.”

While not exactly a textbook, this is much more than a casual read. It is more like a New Year’s good resolution—I *will read and think about this book during 2012, three pages a day, five days a week.* (Don’t start with Chapter 23, “The Outside View,” which discusses how long it takes to actually do things and how difficult it is to predict the duration of an intellectual project.)

Assuming you are going to read the book, a very good idea, what is the “fast and slow thinking” thing all about? When I heard Kahneman speak about his book, he started by saying that, of course, there is not actually any such thing as fast or slow thinking. (This is like his coining of the phrase “prospect theory” to refer to the ways in which people handle choice and risk—that is, a catch phrase redeemed by substance.) The metaphor of fast/slow thinking is a hook on which Kahneman hangs an interesting discussion of expert intuition that takes into account the recent public interest in the nature of “fast thinking” that was created by Malcolm Gladwell’s *Blink* (2005), which popularized William Duggan’s thinking on strategic intuition (Columbia Business School). Kahneman offers a couple of chapters on expert intuition that, like all the chapters in this book, bear careful reading. They explore the phenomenon of expert intuition (the flash of recognition of what’s going on that only comes to those who have spent long years mastering a subject). This is sometimes, but perhaps not normally, the mode of the evaluator, compared with more plodding deductive and inductive reasoning.

One way or another, fast or slow, professional evaluators are subject to heuristic biases like everyone else. This book is a nice overview and synthesis of Kahneman’s thinking on this topic, and that is its main value to evaluators. Kahneman says:

(We) challenged the assumption that people are generally rational and their thinking is generally sound and that emotions explain most of the occasions on which people depart from rationality. We documented systematic errors in the thinking of normal people and we traced these errors to the design of the machinery of cognition rather than to the corruption of thought by emotion. (p. 8)

Apart from providing such food for thought, Kahneman's reflections on his own thinking are a good model. The book is rich with examples of types of biases, some of which will be familiar to evaluators (such as small sample bias) and some of which may not be (such as the "availability heuristic"). He notes that

a key reason for the broad appeal of "heuristics and biases" outside psychology was an incidental feature of our work: we almost always included in our articles the full text of the questions that we had asked ourselves and our respondents. These questions served as demonstrations for the reader, allowing him to recognize how his own thinking was tripped up by cognitive biases ... Of course, we did not choose demonstrations over standard experiments because we wanted to influence philosophers and economists. We preferred demonstrations because they were more fun and we were lucky in our method as well as in many other ways. (p. 9)

Speaking of fun, the evaluator who is considering reading *Thinking, Fast and Slow* might like to get a personal feel for Kahneman's thought and style, and a lively introduction to his notion of the two selves, by viewing his TEDTALK entitled "The Riddle of Experience vs. Memory" (www.ted.com).

REFERENCES

- Duggan, W. (2007). *Strategic intuition: The creative spark in human achievement*. New York, NY: Columbia University Press.
- Gladwell, M. (2005). *Blink: The power of thinking without thinking*. New York, NY: Little, Brown.