Decision Making Bias

As humans, decision making is an integral part of our livelihood. Nevertheless, it is widely understood that we do not always make rational decisions. This can be seen in various situations where our choices are not logical as described by expected value theory (i.e buying lottery tickets). In the year 2020, the world is undergoing severe turmoil due to the Covid-19 pandemic. Throughout this disaster, various global groups including policy makers have been guilty of making irrational decisions which led to severe consequences. There are several biases that may have affected these decisions. In this essay, I will outline three decision making biases and their relation to the pandemic.

The confirmation bias was first introduced by Peter Wason. He believed that people tend to only consider evidence which confirms their previously formed hypothesis. To demonstrate this, he conducted an experiment where subjects were presented 4 cards, two of which were faced down. He told the participants that the cards follow a specific proposition (eg. if one card is even the opposite card is red). Wason asked the participants to select one of the cards which were faced down that would identify the correctness of the given proposition. The results showed that the majority of the individuals were unable to utilise the negation principle (attempting to falsify the proposition). Instead they chose the card which would confirm the given theory; portraying the influence of confirmation bias.

When Coronavirus first had an outbreak in Wuhan, various nations across the world did not perceive it as a serious threat to society. With the preconceived notion that the disease is not much worse than Influenza, countries across Europe and North America did not take proper measures to contain the situation quickly. This can be clearly seen through the quotes of

President Donald Trump. On March 4th, he described the virus as 'mild' and to only affect less than 1% of the population; the only reasoning behind this theory was his own belief. The confirmation was extremely relevant in this situation because individuals did not actively witness the death of other civilians; which in turn confirmed their theory that it was not a serious issue.

In 1973, Amos Tversky and Daniel Kahneman outlined the anchoring bias. They explained that the initial information obtained may lead to the content of the final decision outcome. In doing so leading individuals to make systematic decision errors which stem from the basis. They displayed this by showing that even arbitrary values can affect the final decision. This was visualised by having participants roll a random number between 1-100, and adjust it in order to arrive at their answer to the prompt 'how many countries are there in Africa". The results showed that although unrelated, the initial number was a key fact in the final answer.

The anchoring bias is extremely relevant in how the policy makers across the world responded to the Covid-19 pandemic. Following the original outbreak, countries did not take immediate action due to the slow spread of the virus. Having this rate of dispersion in mind, governments failed to consider the exponential nature of viruses and only adjusted their policies according to the current state of society. Failing to prepare for forecasted scenarios, and only adjusting the initial mild response led to the downfall of many citizens, and ultimately created a panic response when society became dysfunctional.

Lastly, a historically known cognitive bias is called 'The halo effect'. As first described by psychologist Edward Thorndike in 1920, it is the idea that the overall impression about a subject may influence an individuals view on it's specific properties. An example study portraying this is the phenomenon that individuals who are considered objectively good-looking,

are irrationally perceived as being better in various unrelated subjects (i.e intelligence). This can be further seen through employment statistics.

The halo effect had a visible impact on individuals during the Covid-19 pandemic. Initially being given the idea that the virus does not affect healthy/young members of society, the subset of society may have not felt endangered while performing their usual routine. Since the mainstream media did not care for the dangers of the virus either it could have led people to not consider the various consequences of falling victim to it (i.e placing others in danger). As recent statistics show, individuals have unique reactions to the virus. One can be severely ill regardless of their age and previous medical history.

To summarize, the response to the 2020 Covid-19 pandemic was a prime example of cognitive bias in human society. Regardless of having prior information and the ability to make utilitarian decisions, Policy makers fell victim to classic decision making errors including the Halo-effect, Anchoring and Confirmation Bias.

Citations
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