## Overconfidence

**OBJECTIVE 2** | Describe how overconfidence contaminates our everyday judgments.

Our everyday thinking is limited not only by our after-the-fact common sense but also by our human tendency to be overly confident. As Chapter 10 explains, we tend to think we know more than we do. Asked how sure we are of our answers to factual questions (Is Boston north or south of Paris?), we tend to be more confident than correct.[1] Or consider these three anagrams, which Richard Goranson (1978) asked people to unscramble:

WREAT → WATER
ETRYN → ENTRY
GRABE → BARGE

Reflect for a moment: About how many seconds do you think it would have taken you to unscramble each of these?

Once people know the target word, hindsight makes it seem obvious—so much so that they become overconfident. They think they would have seen the solution in only 10 seconds or so, when in reality the average problem solver spends 3 minutes, as you also might, given a similar anagram without the solution: OCHSA (see page 24 to check your answer).

Are we any better at predicting our social behavior? To find out, Robert Vallone and his associates (1990) had students predict at the beginning of the school year whether they would drop a course, vote in an upcoming election, call their parents more than twice a month, and so forth. On average, the students felt 84 percent confident in making these self-predictions. Later quizzes about their actual behavior showed their predictions were correct only 71 percent of the time. Even when they were 100 percent sure of themselves, their self-predictions erred 15 percent of the time.

It's not just collegians. For a dozen years, Ohio State University psychologist Philip Tetlock (1998) collected experts' predictions of political, economic, and military situations. In the late 1980s, for example, he invited expert professors, think-tank analysts, government experts, and journalists to project the governance of the Soviet Union or of South Africa five years later, and to rate how confident they felt. Others did the same for the future of Canada in 1992. After the five years had elapsed (and Communism had collapsed in the Soviet Union, South Africa had become a multiracial democracy, and the Canadian constitution continued), Tetlock invited the experts to recall and reflect on their predictions—which, as in laboratory studies, were far more confident than correct. Experts who had felt more than 80 percent confident were right less than 40 percent of the time.

Despite their lackluster predictions, those who erred were nearly as likely as those who got it right to convince themselves that their initial analysis was *still basically right*. I was "almost right," many of them felt. "The hardliners almost succeeded in their coup attempt against Gorbachev." "The Quebecois separatists almost won the secessionist referendum." "But for the coincidence of de Klerk and Mandela, the transition to black majority rule in South Africa would have been a lot bloodier." The overconfidence of political experts (and stock market forecasters and sports prognosticators) is therefore hard to dislodge, no matter what the outcome.

*The point to remember:* Hindsight bias and overconfidence often lead us to overestimate our intuition. But scientific inquiry, fed by curious skepticism and by humility, can help us sift reality from illusions.

[1] Boston is south of Paris.

**Fun anagram solutions from Wordsmith.org:**
**Elvis = lives**
**Dormitory = dirty room**
**Slot machines = cash lost in 'em**

"We don't like their sound. Groups of guitars are on their way out."
Decca Records, in turning down a recording contract with the Beatles in 1962

"Computers in the future may weigh no more than 1.5 tons."
*Popular Mechanics*, 1949

"The telephone may be appropriate for our American cousins, but not here, because we have an adequate supply of messenger boys."
British expert group evaluating the invention of the telephone

"They couldn't hit an elephant at this dist—."
General John Sedgwick's last words, uttered during a U.S. Civil War battle, 1864

**Answers to questions on page 20:**
**1. Given a 0.1-millimeter-thick sheet, the thickness after 100 folds would be 800 trillion times the distance between the Earth and the Sun (Gilovich, 1991).**
**2. About 6 more feet of rope. The circumference of a circle, or of the Earth, is $2\pi r$. The circumference of a rope elevated one foot is $2\pi(r + 1)$. Thus the added length is $2\pi(r + 1) - 2\pi r = 2\pi$, or about 6 feet.**