

# Annie Duke - Thinking in bets

## 4. The Buddy System

People are not ready to consider themselves the source of the problem they are facing (their skill), they blame other people/circumstances (luck)

People choose the blue pill (from Matrix)

If you choose truthseeking (the red pill) then you might need help from other people

A good decision group is a grown-up version of the buddy system

At least three people (two to disagree and one to referee)  
However sometimes it is ok to opt out and off-load emotions (make temporary exception)

"For right now, I just need to moan about my bad luck"

The most well-known example of a productive group approach is Alcoholics Anonymous (AA)

But not all groups are good

Confirmatory thought

promotes a love and celebration of one's own beliefs, distorting how the group processes information and works through decisions, the result of which can be groupthink

Exploratory thought

encourages an open-minded and objective consideration of alternative hypotheses and a tolerance of dissent to combat bias

Not all groups are created equal

Decision makers should learn first

- 1. whose views are unknown
- 2. who is interested in accuracy
- 3. who is reasonably well-informed
- 4. who has a legitimate reason for inquiring into the reasons behind participants's judgments/choices

Pretty good blueprint for a truthseeking charter

- 1. A focus on accuracy (over confirmation) which includes rewarding truthseeking, objectivity, and open-mindedness within the group
- 2. Accountability for which members have advance notice
- 3. Openness to a diversity of ideas

Rule 1. Reward focus on ACCURACY

- Not support complains about bad luck
- Support truthseeking
- Also talking about winning may be less painful than talking about losing

Critically discuss winning hands only

Rule 2. ACCOUNTABILITY improves decision-making

When we are away from the group we know in advance that we will have to answer to the group for our decisions

Do what we are accountable for (what we agreed with the group)

## 4. The Buddy System

Good question for ourselves

- Why might my belief not be true?
- What other evidence might be out there bearing on my belief?
- Are there similar areas I can look toward to gauge whether similar beliefs to mine are true?
- What sources of information could I have missed or minimized on the way to reaching my belief?
- What are the reasons someone else could have a different belief, what's their support, and why might they be right instead of me?
- What other perspectives are there as to why things turned out the way they did?

But group members can question our beliefs even better!

Rule 3. DIVERSITY of viewpoints

Federal judges: drift happens

Study of Federal Judges by Cass Sunstein has shown strong conformity effects and group polarization.

The probability that a judge will vote in one or another direction is greatly increased by the presence of judges appointed by the president of the same political party

BTW, The problem with judges was also mentioned in the Noise book by Cass Sunstein, Daniel Kahneman, and Olivier Sibony

Who vote first affects others

Social psychologists: confirmatory drift and Heterodox Academy

Social psychologists Jon Haidt, Philip Tetlock, Jose Duarte, Jarret Crawford, Lee Jussim, Charlotta Stern

founded The Heterodox Academy

The Heterodox Academy study shows that

- 1. There is a natural drift toward homogeneity and confirmatory thought
- 2. Groups WITH DIVERSE VIEWPOINTS are the best protection against confirmatory

People are polarized over years

Peer review (the gold standard) is not good enough

Opinion of group members aren't much help if it is a group of clones

Is it why global companies encourage diversity? Or is it a tribute to fashion?

TODO: Check your Twitter feed for whom you follow

It's a pretty safe bet that the bulk of them are ideologically aligned with you

If that's the case, start following some people from the other side of the aisle

Wanna bet (on science)?

The Reproducibility Project has shown

The expert opinion expressed as a BET was more accurate than expert opinion expressed through peer review

I think it's because of the "skin in the game" effect

ACCURACY, ACCOUNTABILITY, and DIVERSITY wrapped into a GROUP's charter all contribute to better decision-making, especially if the group promotes thinking in BETS