

# POST CARD

FROM BILL KERMODE

NEXT CEO Bill Kermode is currently on sabbatical. It is giving him time to write the occasional blog - and in this edition Bill shares some reading he has been doing.



I tend towards the 'glass half-full' approach to life. (Maybe that's because it makes life easier, which I've always tended towards too.)

So a book that has as part of its subtitle "And why things are better than you think" is a soft touch for me. And it's rarer than Australia winning the Bledisloe Cup for a book on statistics to become a bestseller, so that was worth checking in on by itself.

Hans Rosling's "Factfulness" is not a recital of all things good about the world. Yes, there is the message that the world is in better shape than you think (particularly if your information sources are press or social media dominated), but there is also an explanation (in ten parts) of why we have an overly pessimistic view of the world. (And don't be concerned, it finishes with the five big things we should be worried about.)

But the big learning for me, with my NEXT strategic philanthropic hat on, was for the ways we humans can mis-interpret information and data.

For example, in part because we are naturally drawn to extreme examples rather than the large numbers in the middle of most activities, we tend to imagine division exists where there is generally a range. Talking about there being just 'developed' and 'undeveloped' countries is an example - the vast majority of countries are in the spectrum between the two, there is not a simple division available. This tendency to divide sometimes leads to difference where there is more possibly convergence, and conflict where there is agreement. Rosling calls it our 'gap instinct'.

Then there is our tendency to highlight things that go badly rather than the (vast majority of) things that, on a day to day basis go well - our 'negativity instinct'. The fact that we get instant news of every individual plane crash, but no mention of the 150,000+ flights a day that land safely is an example. Rosling says the negativity instinct is linked with three things: our misremembering of the past, selective reporting by journalists and activists (bad news attracts attention better than good), and the feeling that as long as things are bad, it's heartless to say they are getting better.

The 'straight line instinct' has us extrapolating current trends without taking into account that S curves are much more common in nature. The 'size instinct' sees us often failing to give data sufficient context - to measure relative to the big picture. The 'single perspective instinct' sees experts and ideologues treating every problem as a nail to be dealt with with their particular hammer. Then there's the 'fear instinct', the 'blame instinct', the 'urgency instinct', and more . . .

Each of the ten illustrates how data can be used to draw incorrect conclusions, and more importantly, how to start correcting for that. Rosling's big push is for us to teach our children those elements of critical thinking: where their country really sits in relation to the rest of the world and how that is changing; how to hold two ideas at the same time - that bad things are going on in the world, but that many things are getting better; that cultural and religious stereotypes are useless for understanding the world; how to consume the news and spot the drama without becoming stressed or hopeless; and the common ways that people will try to trick with numbers.

Climate change is not surprisingly one of the five global risks Rosling thinks we should be worried about. He believes there is great awareness about the threat (inspite of the odd notable exceptions in the US and Brazil), but there is not widespread knowledge of data at the causal as opposed to symptoms level (eg. carbon dioxide emission data as opposed to temperature data), and that this causal understanding is the necessary first step to behaviour change to address the issue. That information problem (particularly with regard to agricultural emissions) may provide one place where New Zealand can make a contribution to climate change that could outweigh it's population impact.

And to help you feel complete, the other four big things to worry about? Global pandemic, Financial collapse, World War III, and Extreme poverty.

So data is critical to understanding. But so is understanding how that data relates to the issue at hand.

Bill Kermode