

Willful Blindness
Margaret Heffernan

Introduction

- p.1 willful blindness: "...denying truths that were too painful, too frightening to confront. It's something we all do, even when we have grown up. The problem arises when we use the same mechanism to deny uncomfortable truths that cry out for acknowledgment, debate, action, and change."
- p.2 "...the legal concept of willful blindness: You are responsible if you could have known, and should have known, something that instead you strove not to see."
Deliberate indifference or willful ignorance: "...the idea that there is an opportunity for knowledge, and a responsibility to be informed, but it is shirked."
- p.3 "But it struck me that one source of our blindness at work is the artificial divide between personal and working lives."
"We mostly admit the information that makes us feel great about ourselves, while conveniently filtering whatever unsettles our fragile egos and most vital beliefs."
- p.4 "Fear of conflict, fear of change keeps us that way. An unconscious (and much denied) impulse to obey and conform shields us from confrontation and crowds provide friendly alibis for our inertia. And money has the power to blind us, even to our better selves."
"We may think being blind makes us safer, when in fact it leaves us crippled, vulnerable, and powerless. But when we confront facts and fears, we achieve real power and unleash our capacity for change."

Affinity and Beyond

- p.6 "Embedded within our self-definition, we build relationships, institutions, cities, systems, and cultures that, in reaffirming our values, blind us to alternatives. This is where our willful blindness originates: in the innate human desire for familiarity, for likeness, that is fundamental to the ways our minds work."
- p.9 "Familiarity, it turns out, does not breed contempt. It breeds comfort."
- p.16 "By following our instincts to cluster together in like-minded communities, we reduce our exposure to different people, values, and experiences. But we also slowly but surely focus on what we know, losing sight of everything else. We may have more choices than ever before but our tastes are more narrow than ever, too."
"...legal scholar Cass Sunstein found that when groups of like-minded people get together, they make each other's views more extreme."
- p.17 "Overall, people are about twice as likely to seek information that supports their own point of view as they are to consider an opposing idea."
- p.18 "We cling together because it feels comfortable and safe but also because it's highly efficient. We don't have to learn everything ourselves, the hard, slow way."
- p.19 "Shortcuts can be very pragmatic, but when you take them, you miss a lot along the way: that's what shortcuts are for. Living, working, and making decisions with people like ourselves brings us comfort and efficiencies, but it also makes us far narrower in how we think and what we see. The more tightly we focus, the more we leave out."
NOTE: Are shortcuts or heuristics always true? While good knowledge may be passed along in an efficient manner, these shortcuts also open up the possibility of bad information spreading quickly

Love is Blind

- p.24 "That confidence—that we are loved and therefore lovable—is an essential building block of our identity and self-confidence."
- p.25 "...behavioral economists Kahneman and Tversky found, losses loom very much larger than corresponding gains. When you apply that principle to love life (instead of the stock market) it means that when a relationship starts to sour, our fear of losing it may far outweigh any hopes we might cherish of freedom and release. If things go wrong in a relationship, we hang on, trying hard to adapt, or to trivialize our worries."
- p.26 "Our identity depends critically on the people we love, and a central function of family life is to preserve our positive illusions about one another. That is what families are for."
- p.29 "One of the many downsides of living in communities in which we are always surrounded by people like ourselves is that we experience very little conflict. That means we don't develop the tools we need to manage conflict and we lack confidence in our ability to do so."
- p.32 Dr. Eliana Gil (director of clinical services for non-profit Children's Services of Virginia): "If you maintain an illusion, you don't have to make the hard choices. Life just goes on. But if you accept reality, it forces a huge decision and many people want to avoid that."
- p.34 "They found, not so surprisingly, that love activates those areas of the brain associated with reward; the cells that respond to food, drink, money, or cocaine respond to love, too. That's why it feels so good to love and to be loved."
- p.38 "...while the greatest harm was that done to children by priests, further harm still was caused by the Church's moral failure to support their victims. The crisis offered an opportunity for the Church, and its priests, to dig deep and find the best in themselves. But they lacked the vision and courage to seize it."
- p.40 "...it was clear that Hitler believed him to be talented, important, and artistic—all those things Speer longed to be and that his own parents had signally failed to see in him."
NOTE: Positive encouragement can motivate people into a situation of willful blindness? This deals with how love affects our blindness?
"I was blind by choice,' he said coldly, 'but I was not ignorant.'"
NOTE: Does this play into our "gut feel" about situations? When we know something is wrong yet we ignore it and continue on anyway
- p.42 "Not knowing, that's fine. Ignorance is easy. Knowing can be hard but at least it is real, it is the truth. The worst is when you don't want to know—because then it must be something very bad. Otherwise you wouldn't have so much difficulty knowing."
- p.43 "...we make ourselves powerless when we pretend we don't know. That's the paradox of blindness: We think it will make us safe even as it puts us in danger."

Dangerous Convictions

- p.44 "Our brains treat differently any information that might challenge our closely held beliefs."
- p.45 "The brain doesn't like conflict and works hard to resolve it. This may be one reason why, when we gather with like-minded people, we are more likely to seek out common ground than areas of difference: quite literally, it feels better. But it also feels rational, even when it isn't. Which means that when we work hard to defend our core beliefs, we risk becoming blind to the evidence that could tell us we're wrong."
- p.51 Alice Stewart: "People are very resistant to changing what they know how to do, what they have expertise in and certainly what they have economic investment in."

"Threshold theory maintained that, while a large dose of something like radiation would be dangerous, there was always a point—a threshold—beyond which it was safe. (That point is what, today, we might call a tipping point.)

"cognitive dissonance: the mental turmoil that is evoked when the mind tries to hold two entirely incompatible views."

The theory of cognitive dissonance was initially developed by Leon Festinger

"The dissonance produced by mutually exclusive beliefs is tremendously painful, even unbearable. The easiest way to reduce the pain--the dissonance--is to eliminate one of the beliefs, rendering dissonance consonant."

p.54 "Anything or anyone that threatens that sense of self produces pain that feels just as dangerous and unpleasant as hunger or thirst. A challenge to our big ideas feels life-threatening. And so we strive mightily to reduce the pain, either by ignoring the evidence that proves we are wrong, or by reinterpreting evidence to support us. Psychologist Anthony Greenwald called this phenomenon the "totalitarian ego." It operates, he said, just like a police state: locking away threatening or incompatible ideas, suppressing evidence, and rewriting history, all in the service of a central idea or self-image."

p.56 "Economic models work in ways very similar to such ideologies: pulling in and integrating the information that fits the model, leaving out what can't be accommodated."

p.57 "The problem with models, in other words, is that they imply that whatever does not fit into them isn't relevant—when it may be the most relevant information of all. But we treasure our models and personal big ideas because they help us to make decisions about what to do with our lives, whom to befriend, and what we stand for."

p.58 "In Rand's world, those who could do well would be freed from all constraint to express and articulate the full capacity of their talents; they would achieve joy and fulfillment. Those who weren't up to it—"parasites," she called them—would fail and get out of the way. It's a touchingly romantic idea, as long as you assume that you will be one of the successful ones. It reminds me of adolescents who think all their troubles would be over if only their parents would stop telling them how to behave."

p.59 "What's so striking, however, is that all the time Greenspan was nibbling away at regulation, the market was being rocked by a series of warning tremors that offered strong evidence that its most deregulated sectors—the sector Greenspan was so eager to help grow—threatened to blow everything up."
NOTE: Greenspan believed in free markets, but he himself was manipulating interest rates to help drive the economy in a more "productive" direction

p.62 NOTE: LTCM insolvency

NOTE: Enron bankruptcy

p.63 "Just as Rand had wished, the state and economics had been separated; Greenspan had proved true to the big idea of his life, but blind to the realities of it. Even after the biggest financial catastrophe of his lifetime, when Greenspan went to testify to Congress about what had gone wrong, he held fast to his big idea. It wasn't wrong; it was just flawed."

p.64 "Greenspan was blind to two things," says Partnoy. "He missed the fact that in the modern regulated state, you can't have a truly free market. There are always partially regulated markets and therefore there are opportunities for people to exploit information traps. And he didn't understand that even to the extent that the market isn't regulated, there are serious potential downsides to a free-for-all. That's why in the U.S. and UK we have common law. Because if those things are absent, you have problems. Not just unfairness and injustice—but also just this kind of volatility and destabilization."

The Limits of Your Mind

p.71 "The forty-hour week is there for a reason; it gets the best work from people. The first four hours of work are the most productive and, as the day wears on, everyone becomes less alert, less focused, and prone to more mistakes."

"Once you are doing sixty hours a week or more, you don't just get tired, you make mistakes; the time you spend rectifying errors consumes all the extra hours you worked."

p.75 Dr. Daniel Simons (famous for the Gorilla Basketball video): "There's a physical and an evolutionary barrier. You can't change the limits of your mind."

"For the human brain," says Simons, "attention is a zero-sum game: If we pay more attention to one place, object, or event, we necessarily pay less attention to others."

NOTE: does this imply that we cannot multi-task?

p.77 "We just do not have enough mental capacity to do all the things that we think we can do. As attentional load increases, attentional capacity gradually diminishes. One frustrated psychologist has argued that the case for multitasking is on a par with "urban legend"; that is, it's a story we like the sound of but that is really nonsense."

p.78 "The bottleneck that characterizes our ability to receive information explains why we cannot intelligently absorb all the information presented to us on TV screens like those displayed by CNN, Fox, or CNBC. The scrolling text, sidebars, and stock prices don't make us smarter or better informed; they make us stupid. While we are watching such a busy array, we can't efficiently think, discriminate, or make critical judgments."

p.79 "...Yet most of these deals achieve worse than nothing. A study by KPMG found that 83 percent of the mergers and acquisitions they studied didn't boost shareholder value; 53 percent actually reduced it. Another study by management consultants at A. T. Kearney found that total return to shareholders on 115 global mergers was a negative 58 percent!²⁷ And while business-school professors dissect the corpse of each dead deal, it might be wiser to remember the fired executives who signed off on the strategy. Tunnel vision blinds us to the wider consequences of our decisions."

p.80 "Milgram's argument was provocative because he maintained that what got lost wasn't random but precise: When people felt overloaded, he said, they restricted their social and moral involvement.

"Overload is made more manageable by limiting the 'span of sympathy.'

p.81 "Propagandists and brainwashers know what managers and corporate leaders choose to forget: the human mind, overloaded and starved of sleep, becomes morally blind."

p.82 "...there's no biofeedback: If you don't eat, you starve and everyone can see there's a problem. But when we don't sleep, or when we work too hard, often even we can't see there's a problem. Sure, we don't feel great; but what we can't see is what we are losing: the capacity to reason, to judge, to make good and humane decisions, to see consequences and complexity."

The Ostrich Instruction

p.87 "All of us want to bury our heads in the sand when taxes are due, when we have bad habits we know we should change, or when the car starts to make that strange sound. Ignore it and it will go away—that's what we think and hope. It's more than just wishful thinking. In burying our heads in the sand, we are trying to pretend the threat doesn't exist and that we don't have to change. We are also trying hard to avoid conflict: If the threat's not there, I don't have to fight it. A preference for the status quo, combined with an aversion to conflict, compels us to turn a blind eye to problems and conflicts we just don't want to deal with."

- p.90 "Warrick says this isn't a matter of intelligence or education; sometimes it's the most educated who have been most blind because they believed they knew what they were doing."
- p.91 "In business circles, this is known as the "status quo trap": the preference for everything to stay the same. The gravitational pull of the status quo is strong—it feels easier and less risky, and it requires less mental and emotional energy, to "leave well enough alone." Nobody likes change because the status quo feels safer, it's familiar, we're used to it. Change feels like redirecting the riverbed: effortful and risky. It's so much easier to imagine that what we don't know won't hurt us."
- p.94 "That is the hidden cost of ostrich behavior: Whether your head is in the sand or just lying prone along the ground, you're in no position to defend yourself. You cannot fix a problem that you refuse to acknowledge. And if the problem isn't there—how can you be held responsible for it?"
- p.105 Stoicism can be an enabler of blindness: "People who've lived in Libby a long time all comment on the stoicism of its people. They don't whine and they don't want to think of themselves as victims. Gayla understood that they were victims of W. R. Grace when it came to lung disease but they'd be victims of their own blindness if they did nothing about it."
- An extreme desire to pursue truth and knowledge: "In A.D. 79, Mount Vesuvius erupted, covering and then preserving the city of Pompeii. While most people ran away from Vesuvius, Pliny went straight into the danger zone to look, learn, and rescue survivors. He died in the attempt. But in his honor, the most violent volcanic eruptions (such as that of Krakatoa) are called ultraplinian, in testimony to the man who preferred knowledge over ignorance."

Just Following Orders

- p.108 The advantage of not dictating exact orders: "Under Admiral Horatio Nelson, Tryon believed, men had been inspired with a mission and entrusted to make their own decisions in the heat of battle; only that way could commanders react with the flexibility and spontaneity that intense naval warfare demanded. Just obeying orders was dangerous because too much about war at sea was unpredictable."
- NOTE: The problem in working with ambiguous orders, in the case of Tryon, was that it led to confusion when ships were ordered to make a maneuver that wasn't possible--ultimately the ships collided and capsized
- p.109 "Everything Tryon had believed in was proved by the accident—but, at the same time, his foolish death discredited everything he stood for. Whether for comedy or tragedy, the event is chiefly remembered for revealing the tension and difficulties inherent in following orders."
- Hierarchies serve a greater purpose: "The traditional argument in favor of hierarchies and obedience has been that of the social contract: It is worth sacrificing some degree of individuality in order to ensure the safety and privileges achieved only by a group. More recently, psychologists have come to understand that this social contract may be more than utilitarian. A significant component of human happiness, they say, lies in being able to contribute to a purpose larger than oneself. Because, in the developed world, most of us can satisfy our immediate, or hedonic, needs pretty easily, doing so soon ceases to feel very rewarding. Once we're warm enough and safe enough and have sufficient food, getting more heat or housing or hot dogs—the hedonic treadmill—becomes progressively less gratifying.¹ So we yearn to contribute to something beyond our own immediate self-satisfaction and, as we find our greater purpose, we become happier and healthier and may even live longer."
- p.113 Stanley Milgram explains the reason why people follow orders in his experiments: "Milgram struggled long and hard to understand his own highly disturbing findings. He concluded that when we are part of a group, or an organization, we change our focus. "Although," he wrote, "a person acting under authority

performs actions that seem to violate standards of conscience, it would not be true to say that he loses his moral sense. Instead, it acquires a radically different focus. His moral concern now shifts to a consideration of how well he is living up to the expectations that the authority has of him. In wartime, a soldier does not ask whether it is good or bad to bomb a hamlet; he does not experience shame or guilt in the destruction of a village: rather he feels pride or shame depending on how well he has performed the mission assigned to him.””

"When we obey orders, our concern to be a good soldier means that we no longer see that we have a choice or that we are morally responsible for our actions."

p.114 "Another way of thinking about this is that when we agree to submit to authority in order to pursue a larger good, we exchange an individual self (with responsibility for our conscience) for a social self that is responsible to the whole. The most traditional way of portraying this is that the individual self lives at home and the social self goes to work."

The role and purpose of authority in a hierarchy: "When the individual is working alone, conscience is brought into play. But when working within a hierarchy, authority replaces individual conscience. This is inevitable, because otherwise the hierarchy just doesn't work: too many consciences and the advantage of being in a group disappears. Conscience, it seems, doesn't scale."

p.117 Walt Pavlo, a mid-level executive at MCI, and his role in the accounting scandal: "Pavlo and McCumber came up with the idea of getting delinquent customers to sign promissory notes—legally binding promises by clients to pay back what they owed. Since they represented obligations to MCI, they could be counted as assets and the company's bad debt disappeared. Pavlo knew it was a fudge but it seemed to work, so he kept doing what he was told."

p.119 "That, of course, is the problem with targets, and with managing by objectives. Implicitly they communicate the same message as Pavlo's management did: We don't care how the target is achieved, as long as it is achieved. Such is the power of obedience that other considerations (ethics, legality, safety) simply become invisible to social beings who want to make a contribution."

p.120 Extreme obedience blinds our own self-interest: "Obedience is even strong enough to blind us to our own self-interest. The classic example of that extreme is the kamikaze pilot or the suicide bomber, for whom obedience to a cause (and, in some cases, the promise of intangible future glory) is powerful enough to destroy the instinct for survival"

p.123 More from Milgram on why we obey: "Milgram's experiments demonstrate that, however much we think we won't obey, for the most part we do. It is a default behavior, at least in part because its opposite—reflection, independent thinking—is so much more effortful. Obedience is another kind of shortcut, in which we trust someone else's thinking above our own. It's easy and simple, especially when we're tired, distracted, and don't want a fight. And so obedience both amplifies and articulates all those other forces that make us blind."

The Cult of Cultures

p.126 Difference between obedience and conformity: "Stanley Milgram distinguished clearly between obedience and conformity. Whereas obedience involves complying with the orders of a formal authority, conformity is the action of someone who "adopts the habits, routines and language of his peers, who have no special right to direct his behavior.””

p.127 Conformity experiments of Solomon Asch: "In his experiments, Asch assembled college students for a simple test: Shown a single vertical black line of a certain length, they needed to identify which of three separate lines matched it in length. All but one of the students had been told beforehand to choose an

obviously “wrong” line. The isolated student gave his opinion last. In nearly 40 percent of the cases, the isolated student chose the obviously wrong answer. Repeated trials of the experiment showed that only a small minority—8 percent—could be counted on always to conform and only about a third could be counted on never to conform but the vast majority of us—58 percent—will, under certain conditions, conform. Under social pressure, most of us would simply rather be wrong than alone."

"Not surprisingly, it's been found that people in general are more likely to conform to those of higher status than to mere peers: we'd rather conform to models of success."

p.130 The internal culture of Lehman Brothers: "Of course, the firm always said that client interests came first, but in the competitive environment in which Ruderman worked, what came first was fitting into the Lehman culture. To an outsider, one of the more bizarre features of the gang in this investment bank was the preponderance of gambling."

p.131 "But the powerful urge to belong, to which they succumbed, isn't a criminal urge but a human one. It runs very deep because our self-esteem is delicately dependent on what society thinks of us." Psychological pain we feel from exclusion: "There is a physical reality to the pain that we feel when we are excluded. Uncomfortable feelings of social exclusion and physical pain arise, in part, from the same regions of the brain, and the same neurochemicals that regulate physical pain also control the psychological pain of social loss. When we form and validate our social relationships, this stimulates the production of opioids that make us feel great. (When relationships dissolve, likewise, opioids aren't produced and we feel awful.)"

p.132 The benefit of belonging to a group: "However independent we may be (or want to be), we know that we can achieve little alone; to be excluded is to be both lonely and impotent. But when we gang together in like-minded groups, we become more effective, learn shortcuts, and feel ourselves validated. Conformity is compelling because much of our sense of life's meaning depends on other people."

p.133 "A similar experiment, but with real people delivering positive or negative feedback, showed similar results: Those who were rejected not only found less value in life; they also felt no desire even to search for new meaning. The experience of exclusion left them feeling hopeless and demotivated." "Once we conform, there are many rewards. Not just Cayman Islands bank accounts and media coverage, but tiny, daily reinforcements that come from being with the in-crowd."

p.136 The distress associated with thinking differently: "Furthermore, in the rarer examples of a participant taking an independent stand against the crowd, something else happened: the amygdala, the area of the brain that governs emotions, became highly active. Something tantamount to distress seemed to take place. Independence, it seems, comes at a high cost."

The danger of conformity: "But one of the biggest risks of conformity, according to the psychologist Irving Janis, is that our sense of belonging (which makes us feel safe) blinds us to dangers and encourages greater risk-taking."

p.137 "Well before the neuroscience was available to support his theory, Janis believed that, in a group, the pressure to maintain a consensus results in less thinking. Members don't look for information to confirm or disconfirm. "Selective bias is shown in the way the group reacts to factual information, mass media, experts, and outside critics. They spend little time deliberating the obstacles to the plan and therefore fail to work out contingency plans." And he concluded by summarizing a groupthink "law" that is the central irony lying at the heart of all corporate cultures: "The more amiability and esprit de corps among the members of a policy-making in-group, the greater is the danger that independent critical thinking

will be replaced by groupthink, which is likely to result in irrational and dehumanizing actions directed against out-groups.””

"In most organizations, the good team player is implicitly defined as the person who goes along with the team, not the one who asks hard questions."

- p.144 "In their mutually reinforcing conformity, each of these businesses perpetuated and exacerbated each other's errors and flaws until they comprised a system that could not change without collapse. Though many claimed merely to be "obeying the market," no one had told them what to do; they merely had copied one another. What none of the experiments or the neuroscience or the biochemistry can tell us about conformity is how bad it feels when it goes wrong. Because in choosing to stick with the crowd, we steadily blind ourselves—to alternatives, to bad news, to doubt, to the individual values that we think are steady but turn out to also be susceptible—until we find ourselves dazed and confused in the dark."

Bystanders

- p.147 "...a famous experiment conducted in 1968 by two young psychologists, Bibb Latané and John Darley, in which they placed one, two, or three volunteers in a room and asked them to fill in a questionnaire. As they did so, the room slowly began to fill with smoke. The two psychologists wanted to know under which conditions the volunteers would be most likely to do something about the smoke: Were you more likely to respond to an emergency when alone or with confederates?"
Results: those who were alone acted quickly to do something about the smoke (i.e. identify the source and get help), those with another person in the room continued to fill out the questionnaire and ignored the smoke
- p.148 "Their results provoked repetition in a flurry of variations, in which men and women, black and white, young and old were witness to all kinds of emergencies: robberies, faints, asthma attacks, screams, falls, crashes, and electric shocks.⁴ They all confirmed the original thesis: the more people who witness an event, the less likely it is that any will respond to it. Even just thinking about other people reduces levels of altruism."
- p.149 "The bystander effect demonstrates the tremendous tension between our social selves and our individual selves. Left on our own, we mostly do the right thing. But in a group, our moral selves and our social selves come into conflict, which is painful."
Why the bystander effect exists: "One of the initial explanations for bystander behavior was ambiguity: It can be hard to know quite what's happening or what response is most appropriate. But perhaps we are also ambiguous about our own role within the event. We hope that the situation isn't so dire that it needs our intervention"
- p.151 "Diffusion of responsibility—the rule of nobody—is a common feature of many large organizations, where almost nothing is done alone."
- P.153 ""As a child," says Walt Pavlo, "when you did things wrong, your parents said so. I know right from wrong. But as an adult when I was hiding money, I knew I was doing wrong but I was being rewarded and promoted! It's extremely confusing. You rationalize: it can't be that wrong if nobody's stopping me. So I'm going to call it okay because it fits my life model that good things happen to good people. Good things are happening and therefore I must be good.""
- P.155 "These are classic business stories, because it is so human and so common for innovation to fail not through lack of ideas but through lack of courage. Business leaders always claim that innovation is what

they want but they're often paralyzed into inaction by hoping and assuming that someone else, somewhere, will take the risk."

Out of Sight Out of Mind

- P.166 Group executive John Mazoni of BP and the Texas City refinery disaster of 2005: "One of the arguments put forward to support globalization is that, because we have the technology to connect everyone, business can and must expand across the globe. We don't need to be in the same room together anymore. Between the Internet, video conferencing, e-mail, cell phones, and social networks, distance doesn't matter. But it is painfully obvious in Manzoni's case that none of this technology bridges the gulf. The distance does matter. Manzoni couldn't see the people who worked for him; he had no relationship with most of them. Much more likely is that he truly did not know most of the eighty thousand people working for him, he didn't ever see their working conditions, and, perhaps worst of all, he didn't see that not seeing might pose a problem."
- p.167 "It is so much easier to be blind to the consequences of your actions when you do not have to see them play out."
- p.168 "The argument for distance is that eliminating proximity clarifies the mind and facilitates more objective decision making. But it can also blind one to the details that one would prefer not to see."
- p.169 "Moreover, recent research into power shows that the powerful appraise information differently. A team of American and French academics got together to try to figure out whether power alters judgment. In one experiment, they recruited teams of students and divided them into two groups: one group had the power to choose applicants for an internship, the other group could advise but not select. The powerful participants paid more attention to information that conformed to stereotypes. In other words, having power seemed to make them less inclined to challenge received wisdom."
France Milliken's work on organizational silence: "She found that, like the rich, the powerful are different from other people. Confronted by risky situations, they are more likely to expect positive outcomes. They're so optimistic at least in part because they have—or think they have—the power needed to overcome most adversity. That psychological distance between themselves and others means that they can't think as concretely as other people; inevitably they have to think in far more abstract terms. But what is frightening about Milliken's study is that the combination of power, optimism, and abstract thinking makes powerful people more certain. The more cut off they are from others, the more confident they are that they are right."
- p.175 "Structural blindness assumes a concrete reality when it takes the form of outsourcing. Corporations, eager to reduce fixed costs and overhead, suddenly realized that they didn't have to employ all the talent they needed. If they could buy it in, then they could eliminate swaths of management while retaining, or even increasing, negotiating power. The markets loved the idea because it looked as though huge areas of expense and exposure were eliminated from balance sheets permanently. Entrepreneurs leapt at the idea because it meant that, instead of working for dreary monolithic organizations, they could set up their own businesses and be masters of their own destiny in a competitive marketplace. At least that was the idea. In reality, the disaggregation of work has made it harder than ever to connect all of the pieces; in fact, you need huge swaths of management to oversee outsourcing, competitive bidding, partnerships, and contractors. What used to be departments are now outside firms, but someone still needs to get them all to work well together."
- p.179 "The mortgage market, comprised of buyers, brokers, primary and secondary funders, and securitizing banks, had spectacularly become the ultimate expression of Adam Smith's division of labor: each

institution doing what it was best at, generating products at a faster rate than any individual was capable of, but with a level of complexity no one could any longer understand. Most pernicious of all, financiers had come to see banking as its own universe, separate and distinct from the rest of society, so siloed by its wealth and abstractions that they could not even perceive public outrage when the banking failure destroyed jobs, businesses, and funding for all those activities—education, health, the arts—that knit society together."

De-moralizing Work

p.183 "Just because money can't make people happy doesn't mean that we aren't motivated by it."

"We want money for a very good reason: it makes us feel better."

p.184 "Money does motivate us and it does make us feel better. That's why companies pay overtime and bonuses. It may not, in and of itself, make us absolutely happy—but, just like cigarettes and chocolate, our wants are not confined to what's good for us. The pleasure of money is often short-lived, of course. Because there are always newer, bigger, flashier, sweeter products to consume, the things we buy with money never satisfy as fully as they promise. Psychologists call this the hedonic treadmill: the more we consume, the more we want. But we stay on the treadmill, hooked on the pleasures that, at least initially, make us feel so good."

NOTE: How does this relate to the "debt trap"?

p.187 "Money makes people feel self-sufficient, which also means they don't need or care about others; it's each man for himself."

p.191 "Nobody yet quite understands why money works the way it does. Economists have speculated that motivation may work in ways similar to cognitive load. Just as there is a hard limit to how much we can focus on at one moment, perhaps we can be motivated by only one perspective at a time. When we care about people, we care less about money, and when we care about money, we care less about people. Our moral capacity may be limited in just the same way that our cognitive capacity is."

p.192 "Since the mere presence of money evokes a market-pricing orientation, people become commodities and every commodity has a price."

p.193 "What is clear is that human beings weren't under consideration. The Texas City contractors were animals, with a market value."

NOTE: BP execs treating employees as "economic units" rather than human beings

p.194 "Money and willful blindness make us act in ways incompatible with what we believe our ethics to be, and often even with our own self-interest. Driven by our desire to see ourselves as good, we value money because it appears to be the external proof that we are good—and much of society reads it just the same way. So the problem with money isn't fundamentally about greed, although it can be comforting to think so. The problem is that we live in societies in which mutual support and cooperation are essential, but money erodes the relationships we need to lead productive, fulfilling, and genuinely happy lives. When money becomes the dominant motivator, it doesn't cooperate with, or amplify, our relationships; it separates us from them. The farther removed we become from our neighbors, the more siloed in our self-sufficiency, the easier it is to treat people as things, to turn a blind eye to the human costs of toxic cultures and to make immoral decisions."

p.195 "One of the most prominent ways in which people justify their harmful practices is by using arguments about money to obscure moral and social issues. Because we can't and won't acknowledge that some of our choices are socially and morally harmful, we distance ourselves from them by claiming they're

necessary for the creation of economic wealth. Nowhere is this more dangerous, he argues, than in our attitudes toward the environment and population growth."

- p.197 "As long as we can frame everything as an economic argument, we don't have to confront the social or moral consequences of our decisions. That economics has become such a dominant, if not the prevalent, mind-set for evaluating social and political choices has been one of the strangest yet most defining characteristics of our age. As long as the numbers work, we feel absolved of the harder, more inchoate ethical choices that face us nonetheless. We appear to have gone from having a market economy to being a market society (if that isn't an oxymoron). Our obsession with economics could be seen as one long sustained phase of displacement activity."

Cassandra

- p.201 "The savage irony of Cassandra is that, as we read her prophecies, we know that they are true, but no one else does. As such, she is one of the first characters in literature to offer readers that invaluable plot device, superior knowledge. Believing Cassandra, when everyone else derides her, we see simultaneously two contradictory points of view. We learn that any situation can contain truths that we may not be able to see but that are, nonetheless, visible. And she teaches us that sometimes it is the despised who know most."
- p.202 "Cassandras are often also whistleblowers, determined not just to see what others don't see, but to act upon it, trying to alter fate. Both see things that others don't see because they are questioners, driven to ask: What is really happening? Does it have to be that way? Am I missing something? Is there some other explanation or solution? They're driven, dedicated, often quite obsessive truth seekers—even (or sometimes especially) when no one agrees with them. But that is almost the only generalization you can make about these extremely and willfully sighted people."
- p.219 "In the real world, the cost of being a Cassandra is more ambiguous. In one study of whistleblowers, 30 percent of them had been removed from their offices by men with guns—that is how dangerous they were deemed to be. Most weren't surprised to lose their jobs but were disappointed by how hard it was to find employment subsequently."
- p.220 "The greatest shock, for Cassandras and whistleblowers alike, is their revised view of the world. Having started as conformists and loyalists, they emerge from their experience wary of authority and skeptical of much that they see and read and hear. Seeing the truth, and then acting on it, changes their vision of life. This independence of mind can instill a profound sense of isolation. But setting themselves free from consolatory fictions can also reveal new allies and soul mates and inspire a vibrant and purposeful identity."

See Better

- p.223 How to be "less blind": "We can start by recognizing the homogeneity of our lives, our institutions, neighborhoods, and friends, putting more effort into reaching out to those who don't fit in and seeing positive value in those that prove more demanding."
"we have to acknowledge our biases."
"Knowing the hard limits to our cognitive capacity and the huge cost of working long hours should not be an intractable problem to address."
- p.224 "The sooner we associate long hours and multitasking with incompetence and carelessness, the better."

"We can—and should—all learn to be extremely wary of big ideas, the grand ideologies that appear too neatly to answer all questions. But being wary isn't enough to combat blindness; we need actively to seek disconfirmation."

p.225 "Writing about groupthink, Irving Janis recommended institutionalizing dissent."

NOTE: institutionalize dissent to avoid groupthink

p.227 "Bringing in outsiders is one way to identify the unconscious knowledge embedded within organizations and bring it to the surface."

p.228 "Joni believes that, in order not to be blind, two things are critical: unvarnished truth and unfettered exploration. One alone won't do. "If you just do unfettered exploration, it wastes energy. The exploration has to have impact; it has to be mission-critical and real. Same with unvarnished truth. Leaders who don't build the networks that bring them the truth will make big mistakes. Having a small network of people, who will bring you the unvarnished truth and with whom you can have unfettered exploration, they are a partial antidote to willful blindness."

p.230 "Being a critical thinker starts with resisting the urge to be a pleaser."

p.233 "Changing the game can require surprisingly little: A simple question—Do we mean this? Did I understand correctly?—can turn the tide."

"Context counts. Undoubtedly there are organizational constructs and cultures that create more favorable conditions for willful blindness than others"

p.237 "Business schools prefer to teach the live case study, always in the present, with no past at all. There is a special narcissism in the belief that we, and our times, are special, that we are so smart that we have nothing to learn from the past—even about who we are. This extreme bias for the present leaves us blind to the patterns developing all around us."

p.239 "If one of the symptoms of blindness is comfort, so one of the indicators of critical thinking may be discomfort. That's why unanimous decisions are intrinsically suspicious. Were there no options? No alternatives? Unanimous decisions are incomplete decisions, made when there was too much power in the room, too much obedience, and too much conformity. If only one solution is visible, look again."

p.243 "Many organizations view their own impenetrability as a feat of fantastic intellectual virtuosity. In reality, it's a huge cause of blindness and explains why, when such companies get into trouble, they can't find their way out of it."