

Talking Point: Week 2

We covered a lot of ideas this week! Here's a brief summary to help you get your head around it all.

- Last week we argued that the mind does not have any hidden “depths” - that there are no absolute answers to what we truly value, prefer or believe. But if we don't really know what we prefer, you might wonder, how is it that we manage to make any decisions at all?
- **Although your mind can't tell you how much it values anything in absolute terms, it's very good at judging which of two options it prefers in relative terms.** And of course, this is all we need for most of the decisions we face on a day-to-day basis: we don't need to know how much we value cereal and toast in any absolute sense, we just need to know which of the two we'd rather eat for breakfast.
- We discussed some common **perceptual illusions**, which demonstrate how bad the brain is at absolute measurement. To most people a pound of feathers feels lighter than a pound of lead does - despite the fact they obviously weigh the same. A grey square looks a completely different colour when placed next to a white square than when placed next to a black square. **If our brain was able to calculate the absolute weight or colour, these illusions wouldn't occur - they occur because the brain is focusing on comparison.**
- Of course, you might not think it's that serious if we sometimes get colours or weights a bit wrong (although the recent dress controversy suggests these kinds of illusions can get pretty out of hand!). But this inability to think in absolute terms might also have implications for more serious matters, like how we spend our money
- **Financial decisions** might not seem like the most interesting topic, but like it or not, they can be pretty important. With any kind of investment, there's a trade-off between risk and return - to get a high return you have to take a lot of risk, and if you want to play it safe you'll have to accept a lower return. How do we make that trade-off? It would be great if we had some internal measuring device that told us how much risk we should take in a stable, coherent, way. But as you'll no doubt have guessed by now, the Mind is Flat perspective is that there's really no deep, hidden, answer to the question: how much risk should I take? **People tend to choose very different absolute values of risk depending on how the options are presented to them.**

- **Even how much people value pleasure and pain seems to be unstable and highly dependent on context.** If you give someone a high shock, and then give them a medium shock, they'll generally pay less to avoid the next shock than they would if you'd given them a low shock followed by a medium shock. Why? In comparison to the high shock, the medium shock feels much less bad than it does in comparison to the low shock. This seems really strange on the view that we have some absolute measure of 'painfulness' - the medium shock should be equally painful regardless of what came before it! But it makes much more sense on the view that even our perception of pain is highly relative.
- The issue for this week was **maximising happiness**: what are the implications of this relativity of the mind for the ways in which we try to improve society? Governments, who are trying to make society as a whole better off, need some way to measure how they're doing - and in the past they've tended to do this by looking at some measure of economic growth. If GDP is increasing, people are probably better off.
- But this might not be such a good measure after all. **The Easterlin paradox suggests that as nations get richer, they don't seem to get any happier - but yet within an individual country, richer people tend to be happier than those who are poorer.** What this 'paradox' suggests is that our sense of well-being is connected to the objective features of the world around us - if it were, we'd expect making everyone in a country richer to make them all happier. Instead, happiness seems to depend more on how we feel we're doing relative to the people around us. Having an expensive car in itself probably won't make me happy - but having a better car than my neighbour might.
- If increasing GDP doesn't lead to happiness, how should policymakers measure the success of their policies? One option might be to try to measure happiness directly. But if we can't judge weights, or colour, or the badness of pain in any absolute way, are we really going to be able to answer the question "how happy are you?" in any absolute way either? If our happiness depends more on how we're doing relative to those around us than what we have in any absolute sense, is trying to make society as a whole 'better off' in various ways actually going to increase wellbeing?