

tion consistent with their own views and hypotheses," "people downplay or disregard conflicting evidence"); *frequency* (faulty understanding of the relative frequency of events occurring); *concrete over abstract information* (concrete information such as vivid and important personal experiences dominates abstract, statistical information); *illusory correlation* (faulty inference of causal relationship); *data presentation* (the order, mode, and context of information presentation distorts its objective character); *inconsistency* ("the inability to apply a consistent judgemental strategy over a repetitive set of cases"); *conservatism* (the "failure to revise opinion on receipt of new information"); *non-linear extrapolation* ("inability to extrapolate growth processes and tendency to underestimate joint probabilities of several events"); various types of *heuristics* such as "rules of thumb" ("choosing an alternative because it has previously been satisfactory"), representativeness ("judgements of likelihood of an event by estimating degree of similarity to the class of events of which it is supposed to be an exemplar"), law of small numbers ("characteristics of small samples are deemed to be representative of the populations from which they are drawn"), justifiability, regression bias, and "best guess" strategy (discounting uncertainty); *wishful thinking*; *illusion of control*; *misperception of chance fluctuations*; *success/failure attributions* ("tendency to attribute success to one's skill, and failure to chance"); *logical fallacies in recall*; and *hindsight bias*.

These few examples illustrate why the intuitively plausible assumptions that characterize the literature's thinking about the Confidence-

Building process should be open to serious question. These assumptions are common sense estimates without any empirical grounding and, in at least some cases, clearly creatures of a rational perspective where "transparency" is the typical "solution" to misperception. The nature of misperception and its related cognitive effects, however, is such that much Confidence-Building thinking is simply incapable of understanding or dealing with the very processes it is supposed to "correct".

Confidence-Building's distinctive combination of rational and cognitive processes is very suggestive of the sorts of problem that confront current analyses of how people make (or, perhaps more accurately, attempt to make) rational choices in circumstances of uncertainty and poor understanding. The problem for decision-making theory is jointly accommodating two intrinsically different processes which are claimed to operate within the minds of men when they make decisions: the rational (as represented by the canons of rational choice) and the cognitive (the principles that explain how information is acquired, knowledge built, and judgement and intuition employed). Explanations of how people make decisions ultimately must confront and resolve this antithetical relationship. Few come close to succeeding.

In a similar sense, there is an antithetical relationship inherent in the Confidence-Building concept as it is understood in the literature. At least on the basis of what has been dis-

