

**3 Takeaways Podcast Transcript**  
**Lynn Thoman**  
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**Ep 24: Princeton Psychology Professor, Eldar Shafir: Why Having Too Little Makes People Perform Worse and Become More Impatient, Impulsive and Careless**

00:00 **INTRO male voice:** Welcome to the 3 Takeaways Podcast, which features short, memorable conversations with the world's best thinkers, business leaders, writers, politicians, scientists, and other news makers. Each episode ends with the three key takeaways that person has learned over their lives and their careers. And now, your host and board member of schools at Harvard, Princeton, and Columbia Lynn Thoman.

00:25 **Lynn Thoman:** Hi everyone, it's Lynn Thoman. Welcome to another episode. Today, I'm excited to be here with Princeton professor and White House advisor, Eldar Shafir. Eldar's work on scarcity explains why the poor can be more obese and can be worse parents, including being less likely to send their children to school or get them vaccinated. Scarcity applies to all our lives. Scarcity can include scarcity of money, which is poverty, scarcity of food, dieting, scarcity of social connections, which is loneliness. Scarcity of anything. Money in the case of the poor, food in the case of dieters, social connections in the case of the lonely, or time in the case of busy people, preoccupies the minds of people and changes the way they behave, think, and make decisions. It can actually make them according to Eldar, dumber, more impatient, less tolerant, and more careless. I'm excited to learn about scarcity and how we can stop it from leading us astray. I'm also excited to better understand the scarcity trap and poverty and how we can help the poor escape poverty. Welcome, Eldar, and thanks so much for being here today.

01:36 **Eldar Shafir:** Great to be here Lynn. Thanks for having me.

01:38 **LT:** What is scarcity?

01:40 **ES:** Scarcity, of course, the way it's typically referred to is the lack or the absence of something. We talk more about the scarcity mindset. We're really coming from a behavioral perspective. And in that context, the scarcity mindset is basically the psychology that arises when people find themselves in contexts of scarcity. Namely, when people feel like they're lacking a fundamental resource. Like you said, it could be friends, money, food, or they may be thirsty, but in those contexts, a scarcity mindset arises, which is the topic of a lot of our research. So, scarcity in the world, like we said, has to do with not having enough money, not having enough friends, and not having enough food. There are remarkable studies about people who are undergoing starvation, even in experiments undergoing starvation. People who are lonely and function less well as a result. In all of these cases of scarcity, what we basically find as you intimated, is that when I inhabit the context of scarcity, enormous amount of my mental resources, of my bandwidth, of my attention is devoted to juggling, to dealing with this insufficiency. And when so much of my mind is devolved to dealing with this issue, there is just less mind left for other things.

02:44 **ES:** And that leads to, as you were suggesting, I basically function less well. And when I function less well, particularly in contexts of scarcity, bad things happen. If you are very pre-occupied one day planning your next conversation, doing other things, you forget to feed the parking meter, you get a ticket. It's a bummer. You are annoyed. It goes away after 20 minutes. When I am functioning under monetary scarcity, when I'm dealing with insufficient monetary resources when I'm poor, enormous amount of my attention is devoted to how I'm going to take care of rent. And how I'm going to feed my kids, and medical expenses. And I forget the parking meter, but of course, for me, that ticket changes the week. And that touches on what becomes a poverty trap. I'm functioning less well as a result of this juggling. And I make mistakes that cost me and make next week even harder.

03:31 **LT:** When you say scarcity captures the mind, you have a wonderful example of starving men. Can you tell us about that?

03:39 **ES:** Yes, as we were doing the research, we stumbled upon this well known experiment that was done basically when the Allied Forces in '43 realizes they're going to at some point, hopefully take over Europe and inherit camps with starving people, but also realized they don't know how to feeding the starving. It's is not trivial. It's like coming down from mountain climbing. It has to be done carefully and well. And so the US government funded research into how to feed the starving. To do that, they hired a well-known nutritionist at the time in Minnesota, Ancel Keys, who basically got conscientious objectors, young, healthy, well-educated men who felt bad about not fighting the good war to come and participate as study subjects. And he starves them, not to death, but to massive discomfort.

04:21 **ES:** The physical renditions are really touching, they cannot hold their hands above their heads long enough to wash their hair. They're so weak. They cannot sit without cushioning, but then also comes the psychological part, which was really was not part of the study, but we found a lot of documents around that experiment. And these are young talented men who were starving. And the last thing they want to do is think about food. And all they do is think about food. They literally plan to become restaurateurs, they memorize recipes. They compare food items across magazines for cost. They're obsessed with food. And that kind of captures what happens very similarly when you obsess with insufficient water, or money, or friends, etcetera. And that's the part that we deal with in the book. A lot of the research centers mostly on poverty, but that's exactly right. The starving case is a beautiful example of the psychology that arises when you're in that kind of context.

05:12 **LT:** Can you talk about what happens when we become preoccupied by scarcity. Can it make us dumber?

05:18 **S3 ES:** Dumber, of course, is a derogatory term. And we don't literally become less intelligent, but we act less intelligent. Intelligence tests in some sense test your ability... It's fluid intelligence is how well you're able to focus and think well in real time. Basically what happens with scarcity, it interferes with your ability to think clearly. We describe a beautiful study done in a school in Connecticut where half the kids by random assignment find themselves in the quiet side of the school. And the other half find themselves in the side of the school near the train tracks.

05:44 **ES:** And what these sociologists find is that the kids near the train tracks in the fifth grade are one year behind in academic performance. It's a massive effect. They installed soundproofing and the kids catch up, but the point is that just having a train go outside the window, of course, it's distracting, but how distracting is it? Turns out you pay very high costs to kind of stop thinking and to pay attention to the train, get back, and try to go back to what you were doing. That you incur a high cost that you can't focus long enough. And in some sense, the metaphor I like to use is imagine yourself now in a perfectly quiet room. There's no distraction...

06:16 **ES:** You're trying to focus, but concerns about rent, or kids doctors, or food come through your head. These are internal trains, just like the trains outside the window in the Connecticut school, these are internal trains that simply stop you from doing your good thinking. They are distracting, they hamper your ability to focus, they increase your tendency to forget, they reduce cognitive control, and so you're just functioning less well. And so the studies we did in some of the New Jersey malls, we'd literally go to people on the mall, ask them to complete cognitive control and fluid intelligence tests, these are classic tests that are used to gauge basically fluid intelligence in the form of IQ. We divide the participants afterwards by income into high and low, and they're supposed to entertain financial scenarios and then answer these cognitive IQ tests. And what we show is that when we bring up simple financial challenges that if your car breaks down, it's going to cost \$100 to fix, which we know everybody in the mall can do, the rich and the poor in the mall do just as well in the IQ test, there's no difference.

07:13 **ES:** When we bring up the challenging financial scenarios, so called challenging because the car is going to cost \$1500 to fix, which we know for about half of the people in the mall it's a very big financial challenge, now, having entertained this challenge financial scenario, the poor people in the mall, those who are low income, perform at something like 13 IQ points lower than their rich friends who were just as good as they before these financial concerns arose. Going back to the classic social science discussion, I'm going to be overly vulgar here, but are you poor because you're stupid or you're stupid because you're poor, this is very clear, we have extremely talented people who the minute are concerned with a stressing issue just function less well. And we show that the same people when that financial issue is not top of mind are just as talented as their richer friends. That's how you discover that scarcity really impinges on your capacity, reduces your performance and makes them just a lot tougher.

08:07 **LT:** Can scarcity affect carefulness?

08:10 **ES:** It's a very subtle issue because what we show is when you're dealing with financial scarcity, you're focusing on genuine scarcity. And so what you find, for example, is that low-income Americans are much better at shopping, they're much more efficient. If you ask people who coming out of the supermarket, how much the pasta costs, the rich have no idea and the poor know exactly. They are better at taking advantage of sales, they know their prices, they are very effective. So they're very attentive to the things they're juggling. At the same time, of course, as you're juggling prices in the supermarket, you're much less likely to think about retirement savings. In that sense, you are actually extremely good at the thing you're focusing on right now, but not very good at everything else. By the way, Lynn, it's important to keep in mind, the psychology I'm describing is true for all of us. All of us have moments when we're distracted

and do less well. Those of us who don't have scarcity, who don't have very grave pressing urgent things, have the luxury like you and I now for an hour to put aside other concerns we have. I spend a lot of my time thinking about Trump, but this hour, I have the luxury not to. This is how we function.

09:11 **ES:** But if things become very oppressive, that's very hard to put out of mind. We need to focus on the thing we're doing. Every student or, anybody who works in a firm or in an office, you have a project that's due on Monday and all week before you procrastinate and are ineffective, and all of a sudden Sunday night, you have to do it. And what you find is that when you have a scarcity of time, when you have 12 hours left, many of us sit down and are extremely good. We spend the next six hours very effectively getting to the deadline. The point, however, is that as you're doing very well focusing on the deadline, you don't think about anything else. You're more likely to forget to feed your puppy, to call your mother on her birthday, or anything else that's going on because you're focused, because you're tunneled on the thing you're doing. And that's basically a concept of scarcity, if you're tunneling like this many hours every day, managing the rest of life becomes a real challenge.

10:01 **LT:** So can scarcity make us more impulsive or less tolerant?

10:06 **ES:** Cognitive control and impulse control, what we find is that again, when you're less focused, when you're distracted, you do less well at that. And so in some of our studies when people have to... Part of the cognitive control studies is limiting your intuitive response and doing something else, those are the classic studies we do in a computer. When people are focused on finances and when they're struggling under scarcity, they do less well at that. Impulse control diminishes. One of the major themes here is that we have very limited bandwidth.

9:52 **ES:** This issue of bandwidth has been known for a while, and they're some very amazing studies. For example, if we ask half of your viewers right now, "Please don't forget two digits. Please remember 17." And the other half of the participants, we say, "Please don't forget seven digits. Please don't forget 1652749." Those who are now rehearsing the seven digits have their head busy. Studies have shown they're more likely to eat unhealthy food, they're less likely to notice literally, dude dressed as a clown, riding a unicycle in front of them on the campus central yard, they're just less good. In a sense, one way to think about it, the poor or people who are functioning under scarcity of all sorts are walking around with seven digits in their head. They're busy juggling this insufficient resource, and that just keeps their head full, there's less space for other things, which again, can easily hurt your performance or put you in a bad place.

10:40 **LT:** So how might that, for example, affect a parent?

10:42 **ES:** Well, a parent may be... You mean a parent who's struggling with scarcity?

10:43 **ES:** A parent who's struggling with scarcity, how would it affect them as a parent of a child?

10:50 **ES:** So we have been running some studies in Trenton near here a city, significantly less fortunate than Princeton, it's a tough place. We have a lab there. We had to stop it, of course,

during COVID. But during that time, before that time, we had mothers come with a kid and we'll let them sit in a very nice setting where they can play games and talk, and we'll give their mothers financial scenarios very much of the kind that I described that we do it in the Jersey malls, and we try to show how much interaction there is of the child. And what you can show is that when I give the mother a financial scenario that's challenging, that creates worries, she speaks to her child during that hour or the few minutes that we study less than when we give her a control set of questions. So the suggestion here is really, again, as with everything else, just like the parking meter, when you're struggling in managing this insufficient resource, you're going to have just less attentional stand for your kids.

11:40 **LT**: How might scarcity of money affect a student and their studies?

11:48 **ES**: It's a tricky question because if you are low-income student but it's your parents who're worried about the money, then in some sense you have the luxury not to, so we really have to think about students who are independent. If you are somebody who's independently juggling insufficient resources, we have not collected data, but it stands to reason that you would have less of a clear space to do your studies, very clearly.

12:10 **LT**: Could that come out as carelessness or missing easy questions? Just less good performance?

12:21 **ES**: Absolutely. The performance under scarcity, when your mind is full and you're neglecting things, and you're performing less well in our cognitive capacity and fluid intelligence tests, the way it looks is like you're paying less attention, you're more forgetful, you experience less self-control, you just look like you don't care, you look like you're less capable. That's what these tests literally show. You're answering questions less well than you were able to do better before this imposed itself on you. And I'm studying scarcity right now in terms of mindset. In fact, in the world, poverty is a place where a lot of bad things meet, and a lot of these things have a similar effect. So in addition to juggling poverty and finances, you also live in noisy neighborhoods, you sleep less well, there's crime, there's fear of police, there's unreliable public transportation. The juggling impositions are way bigger than what we were studying in our little Mickey Mouse experiments, but that's enough to show the impact could be significant and severe.

13:12 **LT**: How about when a poor person is a waiter? How would you see an impact of scarcity on how they act?

13:20 **ES**: Yeah, and we haven't studied that, but the implication, I keep saying this was when I try to have some policy impact, I keep saying if you look at McDonald's and they give their workers their working schedule 48 hours in advance. They tell you today when you're going to work two days from now. If you're a single mother, for example, they put you in constant, unending child management mode. You constantly have to worry about who'll take care of your kids two days from now, now that you found what hours you're working. If they give you the schedule two weeks in advance, or a month in advance, which shouldn't be that hard to do, now you can manage the childcare mode better in advance, and then they will have workers who sleep better and make less mistakes. It's actually, it should be self-serving, if they appreciated the

impact this has, to make your workers' lives better.

14:00 **ES:** We keep talking about the poor. Two comments. One, the poor is a pretty messy, vulgar, imprecise term. It's not clear who the poor exactly are, and many Americans, of course, come in and out of poverty. It's not a permanent state, it's not a specific people. And number two, what's really important here is I want the audience who hears all this to realize when we say "the poor," you shouldn't have in mind an image of somebody who's homeless and dejected in the corner. We're talking people who are just having a very hard time finishing the month. They're juggling insufficient resources. We're talking about a third to a half of America, and right now with COVID, we've probably reached about 50 million below the poverty line, which means at least twice as many below the living wage. We're describing here a situation, a mindset that occupies a third of Americans, maybe a half. It's not some exotic few.

14:46 **LT:** Because our minds are captured by scarcity, you believe that we have much less bandwidth for everything else. How big is this bandwidth tax?

15:00 **ES:** Given how little our bandwidth is to begin with, any imposition is massive. When I give you the seven digits, there's a lot of research, it would be very hard for you to retain nine, and then basically impossible for you to retain 11 digits, unless you start chunking them in complicated ways, which takes lots of practice. Basically, we're very limited. We have long-term memory. There are a lot of things I know and I carry around in my head that I don't have to think about right now. In terms of real-time problems solving, it's very limited. Any imposition of it lowers performance significantly. If you look at aviation, one of the major challenges is how to design a cockpit that allows a pilot with very limited bandwidth to function well, despite the big challenges, and so you design very complicated routines, a lot of human factor considerations to facilitate that.

15:46 **ES:** In fact, one of the issues that becomes so relevant in policy around poverty, going through life, we basically have a cockpit that helps us manage our complicated lives, and policymakers in some sense, are in the business of trying to design a cockpit that facilitates our flying. You get reminders, you get automatic deposits, you get automatic payments, you get lawyers and gardeners and drivers and nannies, and things that help you manage your everyday life. And what's interesting if you look at the lives of the poor, they're the ones who need the help the most and they get the least of it, the kind of help that we get automatically. Those who need it more, do not have. And so in some sense, those who need it the most have the least of it, particularly in nations such as ours, where regulation is considered negative.

16:24 **LT:** In your book, *Scarcity: Why Having Too Little Means So Much*, which is terrific, you say, "The poor fall short in many ways." Can you tell us about some of those ways and why you think they are due to scarcity of money?

16:41 **ES:** Well, of course, we put this in quotes, "Fall short." By that, we mean that anybody would fall short if you put them in that situation. That's kind of the whole point of the book. It's not the people, it's the context you put them in. It's not the poor who perform this way, it's people you put in context of poverty, and we have several studies showing that if you take fancy-shmancy Princeton students who are very highly educated and have very good self-control and

you show that they do things well, once you put them in context of scarcity, they start doing things badly, they start doing things myopically, just as you find with the poor.

17:00 **ES**: So the perfect example, if you want of functioning badly in an unregulated market is payday loans. So payday loans are a massive disaster in the streets of America today. Payday loan, the way it works is you don't have to be working, you have to be payday. So basically, I'm running out of money before the end of the month, I come to you and I borrow \$200. And in two weeks, I pay you back. I give you a post dated check, basically, and I pay you back \$240. But short term, the implied APR, if you look at the yearly rate could be 500%-1000%. This is so lucrative. There's now an unbelievable number of check cashers and payday loan providers across America.

17:48 **ES**: In many states, it's totally unregulated. I can charge you any interest rate I want. And now, if you look at it, it's a paradigm case of looking myopic, because if I don't have \$200 this month, how am I going to have \$250 to pay you next month? If I win the lottery, I'm fine, but otherwise, what do I do? So you find is that people who take payday loans, take an average of 10-15 a year, because they take a payday loan to pay back the payday loan. Some statistics, some findings suggested that up to 70% of an average payday loan taken today is used to pay back the previous one.

18:11 **ES**: You just turn people into money pumps at very high cost. It looks dumb. Again, in our experiments, we show that I can put Princeton students in a situation where they act similarly. And the point is this, I'm running out of money before the end of the month, I'm trying to function as a good, responsible, working American, and I'm running out of money. What do I do?

18:30 **ES**: And this is where, if you think from a perspective of policy, we should take responsibility. We shouldn't leave these landmines in the streets of millions of Americans who need help. We should regulate being able to get a loan at very low interest.

18:45 **ES**: And then comes the other side, which is the poor looking like they're making terrible mistakes, which they are. But they would've easily avoided them had you created a context that's more conducive to successful flight as it were.

18:58 **LT**: Is being poor, like a handicap?

19:03 **ES**: Clearly not, in the sense that it's not a personal feature. You give me money and I stop being poor overnight. So I wish we could cure handicap that way. It clearly is a handicap when I wake up in the morning and I'm functioning under enormous duress. But again, what's so interesting here is handicap seem to be a feature of the person, whereas poverty is a feature of the context they're in.

19:20 **LT**: You believe that scarcity creates a mindset which perpetuates poverty. It creates a poverty trap. Can you tell us about that?

19:30 **ES**: The culture is a complicated story. There's of course, been a lot of writings about

poverty culture. Scarcity, per se, doesn't produce culture, because scarcity per se is a fleeting state. It's a fluid situation. You can be in scarcity and you don't have enough, and once I give you enough money, you are no longer in scarcity. So it's much more fluid than cultural norms. It's no doubt true that if I grow up in a home where people function under poverty, I absorb certain cultural issues that have to do with functioning under poverty. I'm not immune to any of that.

22:54 **ES**: So there's no doubt some lingering cultural effects, but we haven't really studied them, and I consider them sort of secondary. I think, if you look at people who grew up in poverty, some of them grow up to be nouveau riche and never think about it again, and others always walk with bread in their pockets. People's reaction are quite different to experiences of growing up in certain cultures.

20:17 **LT**: And what would help poor people get out of poverty?

20:22 **ES**: What would help, of course, is higher income, and there's very good arguments for why that should happen and should have happened long ago. But beyond that, even if you keep income constant, even if you raise income, then comes the issue of, again, back to the cockpit, "How do we design a situation, a context that allows people to thrive?"

20:36 **ES**: The way you can think about it is take two people with identical incomes; if one of them lives in a place, in a society that is conducive to success, they're going to function a lot better than the other person with identical income who's functioning in a very difficult society. And what makes a society more conducive to success is everything from after school programs, to public transportation, to reliable income, to trust the advisors and lawyers, to banks that treat you with respect, all of that would contrive to create a situation that leads to more success, which, by the way, we take for granted. When you walk into the bank, you expect a certain decorum of respect.

21:15 **ES**: It's not what you get when you're a single mom with a child who doesn't have baby sitting and walk into a bank in a poor neighborhood in Trenton. From a psychological perspective, that has enormous effect. We think it's trivial to be disrespected for two minutes, but that literally gets people to think, "The bank is not for me." And once you think the bank is not for you and you stop being banked, massive costs to pay for that. Everything from not being able to get a credit card, rent a car, save. It's big.

21:39 **LT**: Can you tell us about some of the programs that Ideas42, an organization which you co-founded, which uses behavioral science to get people out of poverty. I think your programs, your program to keep people out of jail in New York, and your program to keep students in school in San Francisco are wonderful.

25:17 **ES**: Thank you Lynn. Yeah, so Ideas42 is actually an amazing story. When we started doing this work, we'd go give talks to different places, people would ask us to help them devise a program, compose a forum, whatever. And we did it very happily for a while, but then we realized that the university is not paying me to do pro bono work that cannot be published and we're supposed to do research. So we decided to start a non-for-profit that would do this, not for the intention of publishing, but really just to make the world a better place.



22:27 **ES**: And we started, and in... I think in 2012, we had 10 workers. And now it's a massive organization, over 100 full-time people. It does enormous projects. It's a great, great story of success, led by a wonderful group of talented executive directors. And yes, as you mentioned, the projects range from... Trying to affect drunken driving in South Africa, to policing in New York, to schools in the South, to students remembering to renew their student loans. Lots of other programs all around the country and in other countries in the world. All based on the notion that when you do policy, sometimes your intuitions or what comes to mind as a policymaker are from a behavioral perspective, sort of naive or ineffective, and sometimes small behavioral things even defaulting people into things, if they don't choose to act on them can make an enormous difference.

23:20 **LT**: Can you give one or two examples of what you have done in New York to keep people out of jail, or in San Francisco to keep students in school, or in Mexico to help people increase their retirement savings?

23:40 **ES**: A lot of it I should say I'm one of the co-founders, but one of the best things we did as very early on realized we don't know how to run things, so we stepped away. I'm an advisor, I'm on the board, but most of this research, this wonderful research you're describing is now done by a fantastic group of Ideas42, I'm not involved in many of this project. The policing has been an amazing success. A lot of it was done by people Ideas42 and some academics in Chicago. One of the most successful ones is literally, it sounds so trivial, just getting reminders for summons.

24:04 **ES**: Just don't forget to show up when you need to show up at the court for minor infractions. And it turns out that forgoing to do it puts you in a very bad place and it gets complicated and imposes a lot more cognitive demand and hurdles, whereas remembering to do it at the time makes a big difference. And just a silly phone-based reminders could be enough to alter the trajectory of many, many people who find themselves in that spot.

24:28 **LT**: Coming back to scarcity and what individual people can do, how can people manage their bandwidth to lead happier more productive lives?

24:38 **ES**: I'm very reluctant to assume that people can take responsibility for their own things because in some sense, the very fact that you're overwhelmed suggests it's going to be hard. But I read you, people who are living a fairly good life, and their concerns are a bit less dramatic than the struggling poor. You do things simply to alleviate some of the stresses and to allocate your attention in wise ways. But if you take seriously the fact that our attentional span is very limited; you literally can ask yourself, "What hours of the day should I try to focus on writing two pages?" If that's what you do in life, as opposed to other things.

25:09 **ES**: Certain hours of the day you're going to be much more preoccupied by other stuff, some hours of the day you might be more relaxed. Just like when you give messaging to the poor, for example, it's probably good to give a message that's independent of finances, say about healthy eating after payday than before, because the assumption is that after payday I just have more bandwidth to listen to you.

25:32 **LT**: Eldar, before I ask you for your three key takeaways, is there anything else you'd like to discuss that you haven't already touched upon?

25:39 **ES**: No, I think we did pretty well, it was important for me to emphasize that the poor are many of us, and so we did that. No, thank you, Lynn. I think we did good.

25:43 **LT**: Okay then, what are the three key takeaways or insights that you'd like to leave the audience with today?

25:50 **ES**: I think the number one thing that is very central to the social sciences in general, and it kind of informed a lot of what we do, is the importance of context of the situation. When we see people act, when we see people do things, we always attribute it to them to their intentions, what they're like, what they're thinking, what they want. The fact is all the research in social psychology and science, finds is that what you do is largely a function of the context you're in. And this is something that's very easy to miss. In the case of poverty, it's massive because the poor just look bad, they behave less well, they look less well, but it's all the context, it's the situation we put them in.

26:27 **ES**: And this is really critical. It's true, everything from political life, to economic life, to many other areas of life. In some sense, you and I look good, partly because society helps us do it. I sign a mortgage from my home, I never read a word and I wouldn't have understood any of it, but I had the luxury to be in the context where that mortgage was reliable and it came from somebody I can more or less rely on and trust. If somebody gave me a different mortgage, I would look very different today, same person, same understanding, that mortgage would have made my life very different if it ballooned. The importance of context is a massive important message to me.

27:02 **ES**: The second one, and it's closely related, is the poverty narrative, our narratives around poverty. If you look at the discussions of poverty coming everywhere from Minister of Housing to everyday speech, there is a presumption that if you are responsible enough and you do the right things, you can get out of poverty, and if you're in poverty it's because you haven't done the right things; and that narrative attributing fault and minuses to the poor is a terribly misguided narrative. It goes back to context, all the research suggests that the exact same people, if you gave them a context that's more reliable and made life easier, would thrive and be extremely impressive.

27:35 **ES**: And I have quotes, there's an incredible description of General Patton when he enters the concentration camps in Europe, he was responsible to lead the American forces when they first arrived, and he looks at people in concentration camps, he knows these are people who just spent a year, two years in hell, and he looks at them and he's full of contempt for how they look and how they behave, and it's remarkable. The man is not an idiot, he cannot discount enough for the fact that what they went through and he looks at them with contempt. It's kind of an extreme case of what all of us do every day, when we cannot adjust for what we see in a person, with what is the context that led them there. One is the context and two is the narrative around poverty, and how we interpret what we see in ways that are very often driven by personal cues as opposed to a better understanding of the context that leads to what we're seeing.

28:22 **ES:** The third takeaway is, don't trust your intuition. All the behavioral work suggests that although we're extremely intelligent, impressive creatures, homo sapiens, our introspective capacity is extremely limited and deficient. We do amazing stuff, but we don't understand what we're doing. Our visual system is fantastic, but you can't tell me anything about it. Our linguistic capacity is super impressive, unequaled in the animal world, you cannot possibly tell me what it is you know and how you learned it. We have very limited introspective access, and when it comes to emotional life and to understanding social contexts, and poverty and hunger and other issues, we're very bad at it. And we're also very bad designing our own behaviors as a result of understanding them. So a lot of the behavioral research really tries very hard, a lot of it through experimental methods to get a better grip of what it is that's driving us when our intuitions may be terribly misguided.

29:20 **LT:** Thank you, Eldar, for our conversation today and for your work on scarcity, on poverty and on behavioral science to help people improve their lives. This has been terrific.

29:28 **ES:** Thanks so much, Lynn, total pleasure.

**34:10 OUTRO male voice:** If you enjoyed today's episode and would like to receive the show notes or get new fresh weekly episodes, be sure to sign up for our newsletter at <https://www.3takeaways.com/> or follow us on Instagram, Twitter, and Facebook. Note that 3Takeaways.com is with the number 3, 3 is not spelled out. See you soon at 3Takeaways.com (<https://www.3takeaways.com/>).