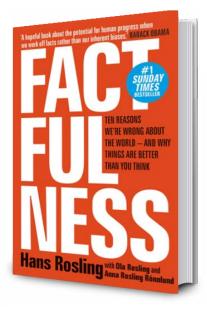
Factfulness: A way to help us cope with the Coronavirus?

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In this time of great uncertainty amid national lockdowns and the dangers presented by the Coronavirus, may I invite you to pause, breathe, and consider adding one powerful stress-reducing habit to your arsenal of self-care practices. This habit is factfulness: the practice of only carrying opinions for which you have strong supporting facts. But not "facts" from a thriceforwarded Whatsapp message, or a scaremongering Facebook post from Karen down the road!

Enter "Factfulness: Ten Reasons We're Wrong About the World and Why Things Are Better Than You Think", authored by Swedish public health expert Hans Rosling with his son Ola Rosling and daughter-in-law Anna Rosling Rönlund, published in April 2018. The three authors are founders of the Gapminder Foundation, which promotes increased use and understanding of statistics about social and economic development



around the world. You might have seen Hans Rosling's TED talk, featuring an animated bubble chart to explain the development of countries through history. (If not, look it up online – it's worth your time.)

This book proves itself to be particularly relevant for today's readers because, two years ago, the authors added their voice to those of numerous scientists, politicians and other public figures who have, for decades, warned about the danger that a pandemic presents to our health and way of life. They identified a rapidly spreading new disease, specifically a flu-like one transferred through airborne droplets, as the first and most dangerous of five risks facing the world. Yes, very similar to the novel Coronavirus!

And while "Factfulness" is indeed partly about what is worthwhile worrying about, it starts with the idea that we are very likely unnecessarily burdening ourselves with overblown negative beliefs. To highlight this, it commences with a series of 13 multiple-choice questions about the state of the world. For example: how many people have some access to electricity - 20%, 50% or 80%? Rosling posed these questions to nearly 12,000 people, and reports that the results suggest massive and widespread ignorance about global development, at all levels of society. The results were even worse than if people had guessed at random.

The authors attribute this systematic ignorance to what they call the "overdramatic worldview". This is our tendency to think that things are bad, and that they are getting worse. This worldview does not come from facts that we learned in school and are now outdated, or from exposure to fake news, or from media manipulation. It is the product of something that should be very familiar to investors: the biases and heuristics that our brains evolved to help us to survive and thrive in the environment our distant ancestors faced, surrounded by predators and other dangers.

These biases and instincts are still useful to us; they assist us to live successfully in a fast-moving, information-rich world. It isn't practical for us to have to interrogate every input and analyse every decision in detail that would be paralysing. But, as in all things, moderation and selfcontrol are required. There are times when we need to put the brakes on our tendency to leap to conclusions based on insufficient data. In many cases there is sufficient data, and it is freely available. An example of the kind of data I'm referring to is the many sources of free statistics collected by global institutions such as the World Health Organisation, the United Nations, and other global agencies. (Check out the Gapminder website for more.)

The remaining chapters of Factfulness identify and describe 10 simple rules of thumb for cultivating a fact-based worldview. The authors' explanation of these heuristics is supported by charts, illustrations and an informal and straightforward writing style. It is the tenth rule of thumb, relating to "the urgency instinct", that is most challenging for us to grapple with in this moment of history. This is the instinct that makes us want to act now in the face of a threat, and the same one that prompts us to buy something we don't need because it's on sale TODAY ONLY!

We are surrounded by prompts to panic, and sifting out the true signal from the noise isn't easy. That said, the chapter about the urgency instinct concludes with a list of the five global risks that we should worry about. These are problems that are likely to occur at some point, and that have the potential to cause massive suffering, either directly - by killing or harming many people, or indirectly - by arresting human progress for an extended period of time. These risks are the ones that we simply must handle correctly, otherwise nothing else we do will matter. And yes, the first and largest one the authors point to is a global pandemic.

Now more than ever we need a reminder of how to think clearly about the world. Promoting a fact-based worldview, complemented by rigorous efforts to interrogate and counter our own biases, prejudices and assumptions, can be (as Hans Rosling says), an "inspiring and joyful" and "useful and meaningful" way to live, despite the sobering challenges of today.

Clare joined Prudential in 2007 and is the Head of Quantitative Analysis. With 17 years of industry experience, she has worked in a range of roles spanning quantitative analysis, marketing and web development. Claire holds a Master of Science degree in Financial Mathematics from the University of Cape Town, a Financial Risk Manager certification from the Global Association of Risk Professionals and is also a CFA charterholder.