

# Royal Bank Letter

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# The Elements of FOLLY

Folly is as old as
Adam and Eve and as
new as today's
headlines. How can
we combat this
perennial blight?
Here is a handy guide
to how to avoid it,
mostly by being
aware of the tricks
the mind can play...

hen modern people talk about the news of the day, they are usually talking about folly. It should be noted that news is not an accurate reflection of everyday reality: headlines are not made of the things that routinely go right, but of the things that more rarely go wrong. The real news - the stuff that people want to hear and chat about - is composed of accidents, political and economic crises, crime, war, and other forms

of conflict. Folly may be found at the heart of these arresting developments more often than not.

Social commentators in days gone by identified folly for what it was, and cited historical precedents as warnings against repeating them. The short attention span of today's consumers of news leads its purveyors to treat follies in particular contexts, as if they were unique. But it is not difficult for a historically informed person to detect the presence of folly in a newsworthy event, trend or situation. It shines through the editorial fog like a red traffic light.

In a society that almost seems to have lost its memory in the pursuit of what's new, the consistent pattern of folly in current affairs is seldom called to public attention. Anyone who points out that a seemingly fresh development is fundamentally the same as something that happened centuries ago risks being brusquely told to "get with it." While looking ahead to the future, modern pundits tend to forsake the benefits of looking back beyond the recent past.

Does it matter? Yes, where folly is concerned, because it is an ever-present source of ruin. We moderns forget and overlook it at our peril and expense. By being conscious of it and of the mischief it wreaks among us, we as citizens can exert whatever influence we can on our public officials to steer them clear of it. Better still, an understanding of its nature may help us to avoid it in our own lives.

But first we must know what we are talking about. Folly is an elusive concept that comes in many varieties. Though the word is etymologically linked to "fool," there is a quantitative difference between folly and simple foolishness. Anyone can act foolishly sometimes. People under the spell of folly act foolishly again and again.

The primary dictionary definition of the word is "foolish belief or act," which adequately covers the small-scale folly that takes place daily. It is largely to guard against the damage this does to the body politic that we have rules, laws, police forces, judges, juries, and jails.

The secondary definitions in dictionaries come closer to what historians and philosophers mean by the word: "useless and expensive undertaking" or "action that ends or can end in disaster." Mentioning no names, it is not hard to think of useless undertakings close to home that have been responsible for heavy drains of taxpayers' money. And we do not have to run our memories back very far to find cases of questionable business ventures that have ended in financial disaster for the investors concerned.

Even these refined definitions, however, fall short of describing the whole phenomenon. That is because there is something mysterious about folly which precludes spelling it out in completely rational terms.

The mystery is that it tends to be repeated in the face of compelling evidence that it will reap dire consequences. If folly were a legal concept, it would be called recidivism, a recidivist being an offender who repeatedly commits crimes in the knowledge that doing so is almost certain to land him back behind bars.

Similarly, if folly were a disease, it would have to be classified as chronic. For it has recurred year after year, century after century, since the beginning of the recorded history. Indeed it is such a standard and basic feature of the human condition that it is one of the first subjects man ever wrote about.

### Blame it on the subconscious

The world's first published author, Homer, dealt extensively with it, as did the immortal playwrights for whom its unavoidability became the leading theme in Greek tragedy. Homer's tale in the Odyssey of the Greek conquest of Troy makes a dramatic illustration of how irresistible it can be. The Trojans were vehemently warned that the wooden horse the Greeks had given them had soldiers hidden inside it. But they did precisely what they were told not to do when they hauled it within their city walls.

Barbara W. Tuchman used the fall of Troy as the first case study in her 1984 best-seller, The March of Folly. In it she made the point that modern folk still tend to regard folly fatalistically, only instead of blaming it on the gods, they blame it on the subconscious: "[Psychologist Sigmund] Freud has brought us back to Euripides and the controlling power of the dark, buried forces of the soul, which not being subject to the mind are incorrigible by good intentions or rational will."

The theory that folly is inherent in human nature raises the question of how our species has ever been able to advance in the face of the set-backs it so regularly occasions. The answer is that just enough people have always learned just enough from past follies not to re-commit them. So if folly is chronic, it is by no means incurable, given a healthy vigilance for its symptoms when they begin to show.

Tuchman is concerned in her book with folly of the political sort, which she calls "the pursuit of policy contrary to self-interest." She traces the phenomenon from the fall of Troy to the American debacle in Viet Nam. Her key contention is that social and technological progress has had no effect on the workings of folly over the ages. What King Rehoboam did in losing the Israeli Empire circa 930 B.C., the British did in the 1700s in losing their American colonies. What the British did then, the Americans did in the 1960s and '70s in losing the war in Viet Nam.

What did they do? Here, for future guidance, is a partial checklist drawn from Ms. Tuchman's findings:

• They proceeded on the basis of fixed notions, and they could not be budged from them.

- They attempted to gain ascendency over others by force rather than finesse.
- They placed exaggerated importance on not showing weakness.
- They wilfully ignored evidence that events were not proceeding as they had calculated.
- They misinterpreted facts to suit their own biases.
- They refused to listen to contrary opinions.
- They ceased to weigh possible gains against losses; that is, the size of the possible losses they faced grew out of proportion to the possible gains.

Tuchman duly noted some other characteristics of folly-friendly conduct: constant over-reaction; exaggeration of the danger of not following the chosen course of action, and invention of excuses to persist in it. Her subjects became fixated by their effort, and sacrificed everything to it, including their integrity. People bent on folly are overpowered by ambition, anxiety, status-seeking, and face-saving, she observed.

# Carried away by commitments

Folly is at its most glaring among those in power, if only because more is recorded about them than about ordinary citizens. Top military commanders provide rich material for its study, because the extreme pressure on them in time of war makes them unusually error-prone. Former British Army officer Norman Dixon once wrote a book examining military defeats called On the Psychology of Military Incompetence. He found exactly the same character traits in losing generals in every era: rigidity, conformity, traditionalism, anti-intellectualism, indecisiveness, and stubbornness.

Military folly has often had to do with being carried away by a commitment. Canadians have reason to remember Dieppe, the raid on the coast of France in 1942 in which half of the invading Canadian force, more than 2,000 men, were captured, wounded or killed. The raid was to have been made six weeks earlier, but was cancelled due to bad weather. Word of it leaked out, but, with all the wheels in motion, its commanders decided to proceed with the raid whether the Germans were forewarned or not.

## Losing sight of the objective

World War I can be looked upon as a folly in and of itself, but the waging of it by the Allied high command highlighted several detailed aspects of it. One concerns "the law of unintended consequences." Massive bombardments were supposed to clear the way for infantry attacks; instead, they churned up the mud, making it nearly impossible for troops to move forward and leaving them as helpless targets for enemy counter-fire. "The British Army...by its own bombardment and barrages, created in front of itself its own obstacle." one historian wrote.

Another consistent military failing (which is also present in civil and personal affairs) is an overestimation of one's own strength and an underestimation of the strength and determination of one's adversary. British generals in World War I continually drew the conclusion from selective evidence that the German Army was about to crack. While acting on the basis of that misinformation, they became isolated from the actual conditions of battle. "Impossible orders [were] issued by generals who had no idea of what the execution of their commands really meant," a front-line officer recorded bitterly.

In yet another common exercise of folly, the

commanders lost touch

with what they had set out to accomplish. The battle of Passchendaele in 1917 originally had as its objective the capture of the Germanoccupied Belgium coast. British troops were to burst through the German line and join up with another British column which had made an amphibious landing. The landing was

aborted, but the other side of the offensive was pushed forward regardless. Before long, the strategic plan was forgotten, and the objective switched to wearing down the enemy.

As a result 400,000 allied troops were condemned to horrible deaths and injuries fighting over a few vards of mud.

### The boomerang effect

Folly is often distinguished for the herd-like behaviour of people who embark on it. World War I began with young men on both sides marching off to the battle, each convinced that his own side could not lose. Rushes to disaster are usually propelled either by patriotism or by the prospect of financial gain, as in the mad mass speculation in tulip bulbs in 17th century Holland. In the classic folly of the Darien venture, both impulses came into play.

In June 1695 the then-independent Parliament of Scotland incorporated a company to establish a trading colony in Darien on the Isthmus of Panama. The precedents were grim: previous attempts to establish Scottish entrepots in the New World had signally failed. Yet Scots organizations and individuals from all walks of life subscribed some 400,000 pounds to the scheme, an estimated half the capital of the nation. The problem was that no one concerned had ever been to Darien. The warnings of explorers that it was the least inhabitable place in the tropics were dismissed on the grounds that it could not possibly be as hot, rainy and disease-ridden as they said.

Darien was chosen because it was presumed to offer a corridor between the Atlantic and Pacific Oceans. Five ships loaded with colonists and an assortment of goods to trade for the riches of the East landed on the Panama coast in November, 1698. Four more ships followed, but when they arrived a year later, they found nothing but ruins and a massive graveyard. The second draft of colonists perished like their predecessors from tropical diseases, shipwrecks, Spanish attacks and blockades, and starvation. By the time the colony was finally abandoned in 1700, 2,000 men, women and children had been lost, and all nine ships sunk.

The venture yielded a perfect example of the boomerang effect. It started as a national crusade to ensure Scotland's independence from England. It ended in a national bankruptcy that pushed the northern nation into a union with England in 1707 on unequal terms. Presumably the Scots could have made a much better deal if they had negotiated the union or some other arrangement when they were stronger. The incident brings to mind the Spanish maxim: "What the wise man does in the beginning the fool does in the end."

### What can a person learn?

LEST WE FORGET

Parallels of this sort between collective and individual behaviour are woven throughout the literature of folly. The difference between individual and collective folly is, after all, only a matter of scale. Which raises the question of what we as individuals can learn from the record in order to avert it personally. As a kind of public service, here is a list of relevant do's and don't's (mostly don't's) in modern layman's terms:

**Don't kid yourself.** Self-deception is the engine of folly. Bear in mind the old saying that there is no one you can dupe more easily than yourself. Also that you are always your own worst advisor, which leads to the rule that you should always seek the advice of peo-

ple with experience, and heed what they have to say.

Don't indulge in wishful thinking.
"You believe that easily what you hope for earnestly," the Roman philosopher Terence wrote.

Often, folly begins with wishful thinking about other people's reactions to the actions we propose to take. Distinguish between your desires and your logic, remembering that desire has the upper hand psychologically.

Don't throw

good money after bad.
Those World War I generals poured scores of thousands of men into battle long after nothing could be gained by intensifying their effort. There comes a point at which to cut your losses. To find that point, consider whether the possible good you expect to do for yourself is greater or lesser than the possible bad.

Admit your mistakes.

No one can count how many lives or how much money has been lost because people refuse to change course after their mis-

takes have become clear to everybody but themselves (see above, self-deception). This resistance to admitting error offers a partial solution of the mystery of why folly crops up so persistently.

**Don't go by theory.** Theories are as likely as not to be dead wrong, and they should not be used as the basis of action until they have been thoroughly tested. In a famous essay, Francis Bacon commented on the foolishness of "taking a questionable proposition as an indubitable starting point." Only when the most obvious questions have been answered should you proceed.

Face the facts, especially facts that get in the way of your desires. Folly-prone people have the habit of twisting facts around to justify what they want to do. The mind being notoriously apt to play tricks, contrary facts are sometimes forgotten. Charles Darwin had an antidote to this dangerous absent-mindedness: whenever he came upon data unfavourable to his hypotheses, he carefully made a note of them, knowing that disagreeable information easily slips the mind.

**Don't go into denial.** In pop psychology, denial is neither resisting nor forgetting dissonant facts, but simply ignoring them. Since denial is self-generated, it cannot be guarded against by the interested party. Best to talk things over with an experienced person who can speak objectively.

**Don't get carried away.** A characteristic of cases of mass hysteria such as the Darien affair is that the great majority of those involved are quite convinced of the inevitability of success in the face of evidence to the contrary. Then peer pressure takes hold. It never does any harm to question what "everybody" is thinking, saying, or doing. Practice what Descartes termed "methodic doubt."

Needless to say these handy hints only scratch the surface of the avoidance of folly, as do the points made in the above discussion of it. In a more sensible world, there would be schools and university faculties exclusively devoted to the subject, so great is its power to bedevil our lives.

Failing that, the repetition of the same mistakes through the generations at least calls for a broader knowledge of history among students and the general public. The Greek greats were wrong in thinking that folly is inevitable. Rather it is something that we should use all the knowledge at our command to guard against.

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