

Using a Foreign Language Helps Decision-Making

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If you think that decisions are based only on the evidence presented, think again. In fact, think about the question in a different language, assessing the risks inherent in making decisions. Your reactions may be surprising.

In a study that appears in the current issue of [Psychological Science](#), a publication of the [Association for Psychological Science](#), researchers at the University of Chicago have found that people make more analytic decisions when they think through a problem in their non-native tongue. These findings have implications in many arenas but especially for people doing business in a global economy.

People are more likely to take favorable risks if they think in a foreign language, the study showed. “We know from previous research that because people are naturally loss averse, they often forgo attractive opportunities,” said University of Chicago psychologist Boaz Keysar, a leading expert on communication. “Our new findings demonstrate that such aversion to losses is much reduced when people make decisions in their non-native language.”

Six experiments were conducted on three continents with over six hundred participants speaking five different languages: English, Korean, French, Spanish and Japanese. Participants all had to demonstrate proficiency in a foreign language, but were not balanced bilingual. In all of the experiments, the participants had to make decisions that involved some sort of assessment of the value, and the potential risk, of pursuing one action over another.

In one of the most telling experiments, researchers tested native English speakers at the University of Chicago who gained Spanish proficiency in the classroom to see how loss aversion influenced their decision-making. The experiment explored how likely the students were to take attractive bets depending on the language.

Each was given \$15, in one-dollar bills, from which they took one dollar for each bet. They could either keep the dollar or risk it for the possibility of getting an extra \$1.50 if they won a coin toss. The bets were attractive because statistically, the students would stand to gain much more than lose if they took all 15 bets.

In English, the students thought myopically, and focused on their fear of losing each bet. They took the bet only 54 percent of the time in English, while they took it 71 percent of the time in Spanish.

“Perhaps the most important mechanism for the effect is that a foreign language has less emotional resonance than a native tongue,” co-author Hayakawa said. “An emotional reaction could lead to decisions that are motivated more by fear than by hope, even when the odds are highly favorable.”

The team also tested asymmetry in decision-making, which happens when the same choice is framed

either as a gain or a loss. In general, people avoid risk when the question is framed in terms of gains, but they seek risk when the question is framed in terms of losses. This is in contrast to economic theory, where willingness to take risk should be independent of how a situation is described.

Through a series of experiments in Korea, France and the United States, the team showed that the asymmetry disappears when a person makes decisions in a foreign language. The students were able to evaluate the choices based on expected outcomes rather than having their decisions influenced by the different presentation of the problems.

These new findings help scholars and others understand how people in a global society make decisions as more and more people use a foreign language on a daily basis, the researchers write. The advantage given by thinking in a foreign language can be greatly beneficial in making decisions in a business setting or in personal finance.

“People who routinely make decisions in a foreign language might be less biased in their savings, investment and retirement decisions, as they show less myopic loss aversion. Over a long time horizon, this might very well be beneficial,” they said.

So, is it better to make decisions in a foreign language? The team is currently investigating decisions where the opposite is true. “It depends on the role of emotions in the specific situation,” Keysar said.

The paper, which appears in the current issue of *Psychological Science*, was co-authored by University of Chicago graduate students Sayuri Hayakawa and Sun Gyu An. The work was supported in part by the National Science Foundation.