

'SUNK COST' BIAS

Some articles on 'sunk cost' found by way of a basic web search so thus recommending also doing a web search to find other articles:

Why are we likely to continue with an investment even if it would be rational to give up? The Sunk Cost Fallacy explained. The Decision Lab.

<https://thedecisionlab.com/biases/the-sunk-cost-fallacy>

The Sunk Cost Fallacy: How It Affects Your Life Decisions. Very Well Mind. (2023).

<https://www.verywellmind.com/what-is-sunk-cost-fallacy-7106851>

Sunk Cost Bias at the start of WWII

It does not seem to be common knowledge that a limited invasion of Germany actually occurred for a couple of weeks in early September in what is known as the Saar Offensive which had the original aim of taking some military pressure off Poland. According to one reading of the events of this very early period it was the case that apparently such a military exercise was only initiated as a 'political manoeuvre' to minimally satisfy the treaty demands of the alliance that England and France had entered into with Poland. Although war had been declared there was no national desire to risk heightening hostilities with Germany so as to escalate them to the devastating magnitude of the Great War.

In fact the memory of the terrible losses of WWI were perhaps behind the hesitancy of both France and England to fully confront Nazi Germany not only over the Sudetenland but much, much earlier in regards to the Rhineland when Hitler would have been humiliated if the French had aggressively with its still much greater army had belligerently confronted what was then a much smaller German force. Yet, even with such great odds it seems there still was no real desire on the part of the French to again be embroiled in a military confrontation with Germany even though it was so likely that in 1936 the Germans would have quickly backed down and in full retreat would've quickly withdrew their troops out of the Rhineland. Already it can be seen that French national security would be based on a defensive posture rather than on any display of attacking initiative thus the fall back to the Maginot Line.

With so much effort spent on the Maginot Line an ingrained defensive posture that had ensued in the past ten years stymied France from thinking totally 'anew' so as to immediately take up the offensive opportunity openly presented to them which could have had France capture the industrial Ruhr thus prohibiting Germany's capability to produce the arms needed to mount a successful offensive war despite the brilliant use of its 'lightning' battle tactics known as *blitzkrieg*.

It should be noted that one of Adolf Hitler's rare military insights which was actually to the advantage of German militarism he was willing to commit the bulk of the Wehrmacht to attack Poland over the protests of his German generals who could see that western Germany would be exposed to a French invasion. Hitler assured his generals that the French would not mount a serious offensive after spending so many years building the Maginot Line that had put them into such a defensive mindset. As it was the Maginot Line would prove useless when the Wehrmacht forces simply avoided it by going through the Ardennes Forest (although at

the time it was thought it would not be possible to mount a major attack through this natural landscape).

Sunk Cost Bias in 2022: Russia's Invasion on Ukraine.

Sunk Cost Bias would initially work in Russia's favour after its unprovoked invasion of Ukraine in February, 2022. (Noting of course a limited war was already taking place between Russia with local proxies and Ukraine in the eastern region of Ukraine). As countries such as Germany had worked to build up economic ties with Russia such as with gas lines thinking that this would also work to de-escalate political tensions between Western Europe and Russia. However, ultimately from Russia's point of view the West's growing reliance on Russian gas - which still continued unabated after 2014 - had it think that a full scale invasion of Ukraine would not face a strong backlash from EU countries such as Germany due to its apparent reliance on energy needs from Russia. While a U.S. led NATO was militarily strong it would still need a strong political response to enable its capability to aid Ukraine and Russia perhaps saw EU's energy needs as the Achilles Heel that would nullify any such strong hostile response from the West.* As it was countries such as Germany would have to overcome its Sunk Cost Bias to get off Russian gas to impose sanctions designed to hurt Russia and while military aid has gone to Ukraine it is notable that per capita it is nations such as the Baltics - who have directly experienced Russian occupation during the Soviet era who have no sunk cost bias illusions - that have heavily supported Ukraine with no real hesitation.

*Furthermore, it should also be noted that Russia's occasional nuclear sabre rattling has also led to Western caution even though a nuclear strike would surely ultimately be a risk too great to truly take with any nuclear retaliation from the West would lead also lead to Russia's wholesale destruction and especially of its major cities.