

# The influence of Bolivian landlockedness on cognitive investment biases and poverty attitudes

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## Abstract

Beyond the well-known geopolitical and macroeconomic consequences of Bolivia's landlockedness condition, available research has not yet analyzed the effects of countries' landlockedness on individuals' decision processes and attitudes. Specifically, our study investigates the negative economic effects of a country's landlockedness on cognitive investment biases and negative attitudes to poverty. Using a sample collected in Bolivia and a structural equation modeling, our results show that at the individual level, categorization and selfcontrol biases mediate the negative economic effects of the country's landlockedness on poverty attitudes. Therefore, our study finds that the negative economic effects of a country's landlockedness influences individuals' decision processes, and thus increases his predisposition to use cognitive investment biases. These biases positively influence the use of stereotypes and cause negative attitudes towards poverty.

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