

COBRA EFFECT



*When an incentive produces the opposite result intended.
Also known as a Perverse Incentive.*



Named from a historic legend, the Cobra Effect occurs when an incentive for solving a problem creates unintended negative consequences. It's said that in the 1800s, the British Empire wanted to reduce cobra bite deaths in India.

They offered a financial incentive for every cobra skin brought to them to motivate cobra hunting. But instead, people began farming them. When the government realized the incentive wasn't working, they removed it so cobra farmers released their snakes, increasing the population.

When setting incentives or goals, make sure you're not accidentally encouraging the wrong behaviour.

