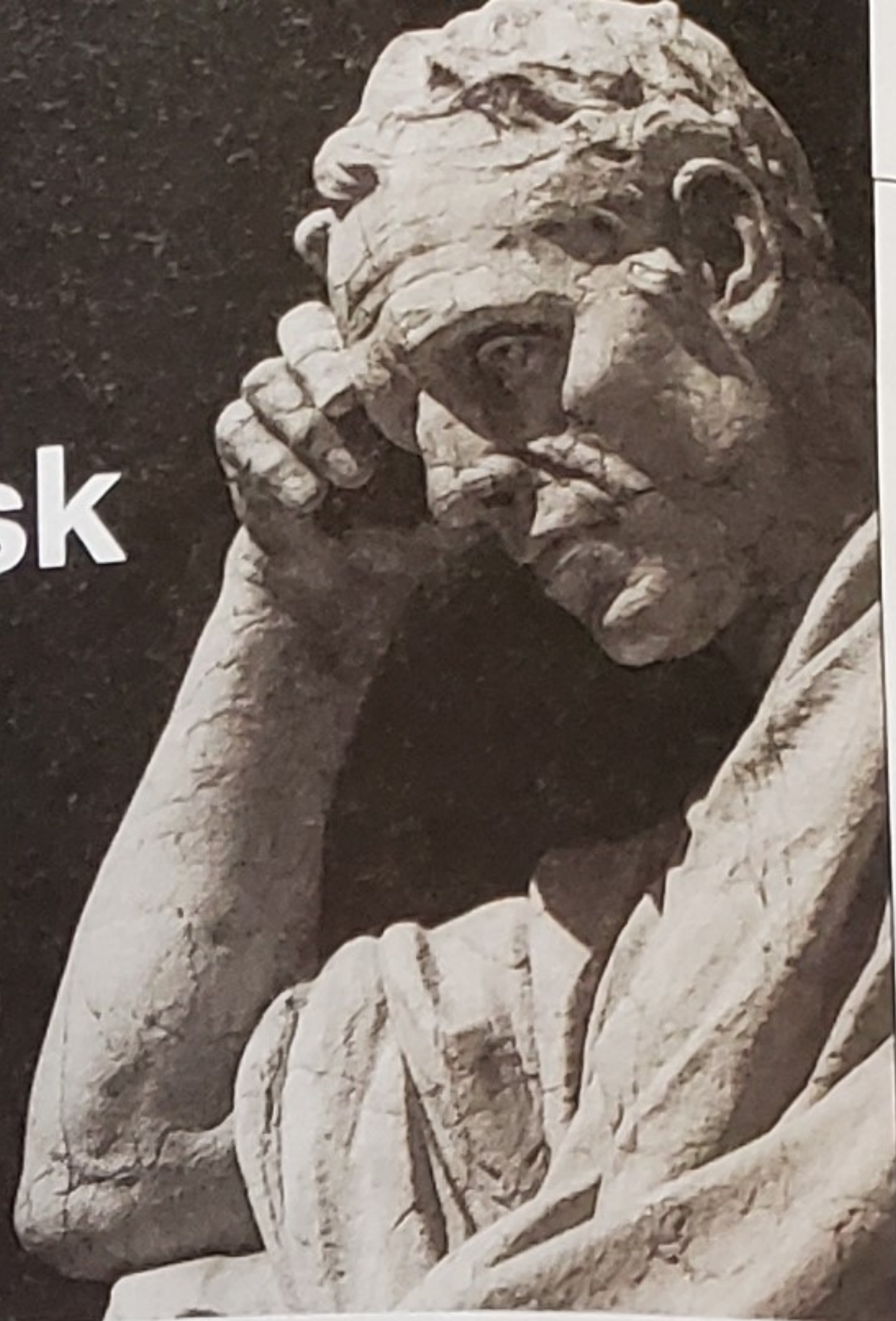


Why We're Bad at Assessing Risk

And How to Make Better Decisions

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Many people sequestered themselves to protect against coronavirus. Others view the degree of alarm as excessive. Each group is convinced that the other misjudged the potential risks. It's not just that we have different levels of risk tolerance...it's also that humans are not especially good at assessing risk, whether it involves deciding to wear a face mask or not...investing in a stock that has soared ten-fold in a year...riding a bike without a helmet...binging on salty snacks...or deciding to fly or drive to a destination.

Bottom Line Personal asked social psychologist Marie Helweg-Larsen, PhD, why people have such a difficult time assessing risk and how they can increase the likelihood of getting it right—and improve their lives in the process...

ASSESSING OUR RISK ASSESSMENT

There are several reasons why risk assessment is difficult related to how people think and the nature of the risks themselves.

Actual risks often are unknowable. So many of our experiences do not have accurate data for their risks. With a new risk such as self-driving cars, data might not yet be available or reliable. And even when there is solid data, it often does not apply precisely to our particular situation.

Examples: You can find data showing how much wearing a bike helmet reduces your risk for severe head injury if you have an accident when cycling—but are those numbers relevant if you're riding a bike on an uncrowded bike

path through an open field rather than along a busy road? You can find data showing how much wearing a face mask reduces the spread of COVID-19, but are those numbers relevant if you're walking outdoors in an uncrowded area where infection rates are low?

We think we're assessing risk, but we're really seeking justification. When we weigh whether it's reasonable to take a particular risk, we find reasons to accept any evidence to support the risk assessment we wish to be true and to dismiss evidence to the contrary—without realizing we're doing so. This occurs even when it's extremely well-established that a behavior is very dangerous.

Example: When smokers are surveyed, all but a small percentage admit that cigarettes can cause serious health problems. Many still convince themselves that smoking poses little risk to them personally. They'll claim they don't inhale deeply...the cigarette brand they smoke is healthier than most...they smoke “only” five or 10 or 20 cigarettes a day—no matter how large the number is, they preface it with “only”...or they'll explain that smoking calms their nerves, so the health risks of cigarettes are offset by avoiding the health risks of stress.

We're more likely to sense risk when we feel we lack control over a situation. This helps explain why many people feel safer when driving than flying—they're at the controls of the >>

Bottom Line Personal interviewed Marie Helweg-Larsen, PhD, social psychologist at Dickinson College, Carlisle, Pennsylvania, who studies why smart people do risky things. Dickinson.edu



>> car but not a plane. There is some logic to this—if you're a skilled and responsible driver, your risk on the road might be lower than average. But even a great driver might not be able to avoid an accident caused by another vehicle. What's more, studies have consistently found that people tend to overestimate their own abilities behind the wheel.

Similarly, we tend to overestimate risk when a situation is new and unfamiliar...we feel forced into the situation...we believe children are at risk...and/or the danger has previously occurred in big, headline-grabbing catastrophes. On the other hand, we underestimate risks that we have been living with for some time...that we enter by choice...and/or when the risks are hidden in the data rather than blasted across headlines. *Example:* Many people pull their money out of stocks when the market struggles because the risks of equities make the headlines...while the risks of not investing in stocks and missing out on the long-term gains that the market provides generally draw less attention and are apparent only when long-term data is reviewed.

Our social circles reinforce our risk-assessment biases. Both in person and online, we tend to spend time with people who believe largely the same things we do. We tend to choose news sources

that are in line with our preexisting beliefs...and social-media websites use algorithms to show us more of the same.

REDUCING THE DANGERS

There are ways to reduce the dangers of flawed risk assessment...

Rather than relying strictly on your personal analysis of potential risks, turn to experts you trust when time permits. Evaluate whether they are basing their advice on proven data rather than just hunches or biased views, and if so, consider following their lead or at least incorporating their input in your risk assessment. That's the single best way to make fewer risk-assessment mistakes.

Government health and safety experts often are the most obvious sources to follow, but if it goes against your nature to trust governmental authority, you might opt to follow the guidance of experts at relevant professional organizations or institutions, such as the Mayo Clinic...or nonprofit or membership organizations, such as the American Automobile Association for driving advice. Expert risk assessments aren't always right, but over the long term, you will do better drawing on guidance from experts than you will attempting to do risk assessment on your own. That's true whether you're discussing car repairs with your mechanic...dental care with your dentist...or

reading health advice from a medical association. Still, if you're uncertain, it can be prudent to continue monitoring the situation so you can reconsider your response if the initial "expert" opinion is later called into question by other respected experts.

Focus on the risk to your community and family, not just yourself. Most of us have an "optimistic bias" that tells us our risks are somehow lower than the risks other people face. When you're debating doing something that could create risk for other people in addition to yourself, focus on those other people's odds and emotions rather than your own. *Example:* If you feel certain that you can safely ride out a hurricane at home even though you've been warned to evacuate, consider how worried this decision could make your loved ones...and/or the risk that you might create for emergency-services personnel if you do have to be rescued during or after the storm.

Seek out information that opposes what you believe about a risk. If you think a certain diet or piece of protective equipment reduces your health risks, for example, you could enter the phrase "why [the equipment] doesn't make you safer" or "why [the diet] isn't healthy" into a search engine. The opposing opinions you find aren't necessarily correct and you won't be inclined to believe them, but at least exposing yourself to opposing viewpoints helps you understand why other people respond to the risk differently than you do.

Weigh the potential costs and pay-off even when the risks seem low. The fact that the odds are very good that you could do something safely doesn't always mean that it's worth doing. *Examples:* You probably could stretch to one side while on a ladder without falling—but the cost of falling could be broken bones while the payoff is saving the few minutes that it would take to descend, move the ladder and climb it again. You probably could drive home after a few drinks without crashing—but the cost of getting pulled over would be thousands of dollars in DWI fines and increased insurance rates while the payoff is saving the cost of a taxi or Uber ride—or just not having that one additional drink. **BLP**

Very *useful* websites

■ AN OUNCE OF PREVENTION:

Find out what to do before and after domestic and international travel to avoid getting or spreading COVID. **CDC.gov/coronavirus/2019-ncov/travelers**

■ SPECIAL-OCCASION REMINDER:

Get notifications by text or e-mail before anniversaries, birthdays, graduations, holidays and other important dates. **Birthday-Reminders.com**

■ WHAT'S THAT WILDFLOWER?

Identify species by location, color, shape and time of year. *Bonus:* Links to free wildflower-ID apps for every state. **WildflowerSearch.org**

■ **FREE JOB ASSISTANCE:** Use this Department of Labor resource to find

employment opportunities and training programs, assess skills, prepare résumés, etc. Includes sections for 55+ workers, veterans, young adults and other groups. **CareerOneStop.org**

■ DONATE VEHICLES TO CHARITY:

Many large charities, such as Habitat for Humanity and the Purple Heart Foundation, welcome vehicle donations. *Other options:* National organizations such as Car Donation Wizard (**CarDonationWizard.com**) and CARS (**CarEasy.org**)...and churches and local nonprofits, which may use the donations for fund-raising activities. Consult your tax adviser about tax deductibility.