



THE RISK CONTAGION EFFECT

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When our brains are exposed to a prolonged danger or threat, they respond in a variety of ways. Risk Habituation (see our in depth article [here](#)), when our brain begins to numb itself to a perpetual threat, and the Risk Contagion Effect are the most common responses. The **Risk Contagion Effect** is most often talked about in reference to 'bear' and 'bull' behaviors in the financial markets. However, it also has implications during Covid-19 as many countries are relaxing social isolation and reopening businesses in an effort to save their economies. In this article I will explain how this effect, along with risk habituation, can potentially muddy our judgement regarding the safety of our families, staff and beneficiaries.

Risk Contagion Effect

Risk Contagion refers to the effect another person's risky behavior has on our own willingness to undertake more risk than we originally decided was wise. Social scientists have for years tried to understand how we are influenced by others around us in relation to dangerous situations. Beginning in the 1960's psychologists identified a 'risky shift phenomenon' which is the tendency for individuals to make more daring decisions when they are in a group, versus when they are alone. Some research indicates that this phenomena can go both ways, meaning the effect of others can lead us toward more risky or more cautious behavior, resulting in polarization within a community.

A recent neuroscience study done at the California Institute of Technology demonstrated how this shift in our evaluation of risk can actually be tracked in various areas of the brain. Based on a rather complicated and detailed research design they concluded that: "Behaviorally, we demonstrate that human risk-preference can be altered by a contagion effect and rule out alternative possibilities such as changes in subjective judgment about the probabilities or simple bias."¹

By studying the areas of the brain activated during controlled conditions they were able to tease out the impact of the effect of others on our own risk taking decisions. Importantly, they found this process occurs as an independent influence and does not necessarily involve a sober, consciously directed threat/risk analysis of our own vulnerabilities.

What You Should Know

There are two significant lessons to be learned from this research regarding the Covid-19 pandemic.

First, risk contagion can increase polarization within communities as some people become more cautious and others lean into more risk. As the delicate balance between public health and economic viability is weighed we are witnessing the impact more strident positions are having as they fuel an

¹ Suzuki et al., *Behavioral contagion during learning about another agent's risk-preferences acts on the neural representation of decision-risk*. PNAS | April 5, 2016 | vol. 113 | no. 14 | 3758.



'us-versus-them' mentality. Most of us experience this very concretely in deciding whether we wear a mask in public or do not wear a mask. Within our humanitarian community I have begun to see signs of this mentality developing as the social isolation policies drag on. Some individuals and organizations are beginning to downplay the danger of Covid-19 in comparison to other existing or emerging dangers such as malaria or the locust plague. They argue that by remaining locked down and not responding to these dangers we are causing more human suffering and death in the long run. Others on the cautious side argue that if we do respond we may unintentionally inflict more suffering by spreading the virus and introducing it into heretofore unaffected areas or camps. How do we balance these conflicting views? Both are valid positions and depend on how we evaluate the risk both for ourselves and our beneficiaries. Clearly thoughtful and carefully reasoned assessments based on all available facts are needed rather than polarized knee jerk reactions.

Second, risk contagion can affect our judgment about our own vulnerability to Covid-19 without our being conscious this is happening. According to this research we could inadvertently and unconsciously be influenced by what others are doing regarding their safety rather than rationally assessing our own and our family's physical condition and risk. Given that as a humanitarian community we are more likely to have a tolerance for risk situations it is important that we clearly weigh the medical facts as they become known about the Covid-19 virus and how they impact us. We have to be honest with ourselves about whether we are more vulnerable than others depending on our age and underlying conditions.

Both risk habituation and risk contagion are normal brain processes but are not helpful as humanitarians assess their own and their organization's vulnerabilities in light of Covid-19. Being aware of these processes can hopefully help us to make more careful threat/risk assessments that both protect ourselves and our beneficiaries during this difficult time.

For more information or counseling support please email: support@headington-institute.org.