

The More Who Die, The Less We Care?
Thinking and Deciding Rationally About Catastrophic Losses

Paul Slovic

Decision Research and University of Oregon

Prepared for *The Irrational Economist* Conference and Bookwriting
The Wharton School, University of Pennsylvania
December 4 and 5, 2008

A persistent theme of Howard Kunreuther's work has been the need to make rational decisions in the management of catastrophic risks from natural and human-caused disasters. A defining element of a catastrophe is the large magnitude of its harmful consequences. To help society prevent or mitigate damage from catastrophes, immense effort and technological sophistication is employed to assess the numerical size and scope of potential or actual losses. This effort assumes that people can understand the resulting numbers and act on them appropriately. However, much behavioral research casts doubt on this assumption. Large numbers are found to lack meaning and to be underweighted in decisions unless they convey affect (feeling). As a result, we respond strongly to individuals in need but often fail to act effectively in the face of mass tragedies from nature or human malevolence. The numbers fail to trigger the emotion or feeling necessary to motivate action.

My paper will call attention to the need to address this problem of insensitivity to numbers. For example, when we teach young children about numbers, we instruct them in the mechanics of operations such as addition, division, etc. but we don't teach them how to "feel the meaning" behind numbers that represent real-life entities such as people, endangered species, monetary losses, etc. As a result people who can do arithmetic well often behave in ways counter to their basic values. As one observer remarked in the domain of risk to humans, "the more who die, the less we care". This human tendency is, itself, a "recipe for disaster" that needs to be addressed by behavioral decision researchers.