

The study of our way of dealing with risky situations (situations that involve potential losses) is one of the cornerstones of the judgment and decision making literature. It is generally taken for granted that the psychological mechanisms underlying our reactions towards risk are universal. As a result, only few cross-cultural studies have been carried out on this topic. One of the exceptions is a nice set of studies by Weber and Hsee comparing the attitudes towards risk of American and Chinese participants (mostly). Though they are not very recent (late 90's), I'm reporting these studies because they illustrate several interesting points.

The first finding is that PRC (Chinese) participants are more risk seeking than American participants (Weber & Hsee, 1998).

This rather counterintuitive result was obtained by asking participants questions such as these:

Which option would you rather choose for some money you have saved:

Stock: either 0% or 8% with equal probabilities

Savings: exactly 4%

In this case, participants from the PRC would choose stocks more often than American participants. One of the hypotheses that was put forward to explain this difference was the 'cushion hypothesis' according to which people are going to be less risk averse if they can rely on social support (the 'cushion'), at least for monetary matters. PRC is often defined as a collectivistic culture whereas the USA are one of the most individualist. If people in the PRC can rely on more support if something bad happens, then it makes sense for them to be more risk taking. This hypothesis makes the two following predictions. First, the cushion should be 'domain specific': degree of risk taking in the financial domain should be related to the amount of support expected in this domain and not, for instance, in a more personal domain (and vice versa). The second prediction is that people in the PRC should be able to rely on more people in dire financial times, and that this should mediate the observed difference in risk taking. Both predictions were tested in Hsee & Weber, 1999.

In order to test the first prediction, the authors did two things. On the one hand they measured the risk-taking proclivities of PRC and American participants in different domains: financial, but also personal and medical. On the other hand, they estimated the density of the social net that participants could use in terms of financial support (people they could ask money from) and personal support (people who could provide psychological support). In line with the prediction, they only observed a difference in the financial domain: participants from the PRC were both more willing to take risks and could rely on a larger social 'cushion'. In the other domains, there was no difference either in the willingness to take risks or the capacity to rely on social support. Moreover, the second prediction was confirmed by a mediation analysis: once the size of the social net available for financial support was taken into account, the cross-national differences disappeared.

This later result is particularly interesting, and it brings us back to a question that was asked in an [earlier post](#) about what can be deemed cultural. The authors are happy to talk of a cultural difference to explain their results: the PRC is more collectivist, therefore its people can rely on a larger social 'cushion', which leads to more risk taking. But if one compares two participants, one American, one from PRC, who enjoy a comparable level of support, then there is no difference in risk taking. Given that the relationship between level of support and level of risk taking may very well be an adaptive, evolved one, then the difference is barely cultural. More precisely it is cultural in the same sense that an influence of the physical environment created by culture on our perceptual

systems is cultural.

In order to show that there is more to this difference than a simple adaptive reaction to the level of support, Weber, Hsee and Sokolowska (1998) studied the differences between American and Chinese proverbs regarding risk. They observed that Chinese proverbs were judged to advocate more risk taking than American proverbs, in line with their previous results regarding risk-taking proclivities. But if the difference between the levels of risk taking in the two countries can be explained entirely by the difference in the size of the social 'cushion', then are the proverbs doing any causal work, or are they only a superficial layer of culture added on top of what is otherwise a non-cultural difference? One may be tempted to adopt the later answer, but this need not be the case all the time.

In an otherwise unrelated set of experiments, Briley and his colleagues (2000) have managed to create a cross-cultural difference (between participants from the US and Hong-Kong) by asking participants to justify their decisions. Whereas both groups gave similar answers in a control condition, when they had to justify their decisions they made choices that were more in line with cultural values-something that was reflected in their justifications. It is not implausible to think that that such a phenomenon could be obtained as well in the domain of risk taking: participants from the PRC asked to justify their decisions would be willing to take more risk and Americans less (for a similar level of social support).

Such effects of justifications can be obtained even when there is no real need to justify oneself. The format of most experiments will favor reasoning in terms of 'what is the answer that is easier to justify' even when justifications are not explicitly required. This is one way through which culture can influence behavior. But where do these culturally accepted justifications (such as proverbs) come from? Adopting an epidemiological perspective one could explain the spread of such or such proverb by the fact that it will be more relevant for most people. Here is what such an explanation can look like in our risk taking example. Social networks are denser in China. People are more risk taking. They prefer proverbs that advocate taking risks. These proverbs spread better than proverbs supporting risk aversion. Up to this point, the proverbs play no causal role: they are mostly rationalizations for pre-existing tendencies. But in some situations (like experimental settings, but not only) they can start playing a causal role. Sometimes people's decisions are influenced by what is easier to justify. Since proverbs allow for such justifications, they can tip the scales one way or another.

In such cases, pinning down the causal factors in the decision is tricky. Take a culture in which there is a (non-culturally determined) tendency to be risk taking. When one member of this culture takes a risk, it can be either because of this tendency or because of some cultural elements (such as proverbs) that have spread thanks to this tendency (or because of both). I believe such things happen quite often in experimental psychology. In order to disentangle the two one can, for instance, try to make justifications more or less salient-as Briley et al. did-or devise tasks that will tap only in the more intuitive mechanisms. In any case, it is important to be aware of such potential complications when one is devising cross-cultural experiments (or, for that matter, experiments tout court).

Briley, D. A., Morris, M. W., & Simonson, I. (2000). Reasons as carriers of culture: Dynamic versus dispositional models of cultural influence on decision making. *Journal of Consumer Research*, 27(2), 157-178.

Hsee, C.K. and Weber, E.U. (1999). Cross-national differences in risk preference and lay predictions. *Journal of Behavioral Decision Making*, 12, 165-179.

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