

RISK ASSESSMENT AS VIRTUE

Sabine Döring and Fritz Feger

The University of Manchester

In the following, we shall present a critique of decision theory as a normative account of decision making under risk. We claim that decision theory has to be supplemented by virtue. To some of you, speaking of “virtue” might sound old-fashioned or humorous. But we use it as a technical term that refers to one of three major approaches in contemporary normative ethics, namely, virtue ethics. In contrast to consequentialism and Kantian ethics, virtue ethics emphasises the character of the agent, rather than consequences of actions or duties. To establish that decision making under risk requires virtue, we shall, first, show that decision theory is unable to resolve the well-known St. Petersburg paradox. The St. Petersburg game poses a long standing problem to decision theory because it has infinite expected value and yet seems to be worth much less. As we shall argue in a second step, the systematic deviation from apparently rational choice can be justified as an instance of virtue. Understood as virtue, risk assessment is a character trait which enables its possessor to assess risk appropriately in an immediate, non-inferential way. This means that, by contrast with the inferential method of risk assessment characteristic of decision theory, virtuous risk assessment requires having appropriate emotions. An emotion, it is assumed, is a perception of value. Our third aim, then, is to make plausible that, contrary to common belief, decision situations can be found in real life which show the structure of the St. Petersburg game, or rather of the inverted St. Petersburg game, which we shall introduce. We maintain that in many cases the assessment of risky technologies is such that a decision has to be made about possible but extremely unlikely outcomes with an “infinite” negative value (so to speak). In these cases, virtue is needed to avoid an inappropriate assessment of these options by a decision theory that is expected to do too much.