

# Study examines age-related changes in the willingness to take risks

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Bungee jumpers tend to be young. In older age, most people shy away from the risk of such jump. Credit: Wikimedia/Vanio Beatriz/CC BY 3.0

A study conducted at the Max Planck Institute for Human Development in collaboration with the University of Basel, Yale University, and the longitudinal German Socio-Economic Panel (SOEP) study at DIW Berlin provides insights into how and in which domains people's propensity to take risks changes with age. The results indicate that individual risk-taking propensity can be seen as a facet of personality that is subject to change. The study's results have been published in the *Journal of Personality and Social Psychology* and are available online as SOEPpaper No. 816.

Although the propensity to take risks on average decreases over the lifespan, it is particularly susceptible to change in young adulthood up to the [age](#) of about 30 and in older age from about 65 on. These findings emerged from a study conducted at the Max Planck Institute for Human Development in collaboration with the University of Basel, Yale University, and the longitudinal German Socio-

Economic Panel (SOEP) study, which provided the data. The study tracked change in individual risk-taking propensity over a period of up to 10 years in various domains of life. According to the researchers, these early and late phases of life are particularly likely to be marked by individual cognitive and biological change and by significant life events, such as marriage or retirement. This could in turn impact the individual stability of risk-taking propensity.

Changes in risk-taking propensity tend to be particularly pronounced in the domains of work and recreation. It is here that the willingness to take risks decreases most noticeably over the lifespan. In the social domain, in contrast, risk-taking preferences barely change at all with age, as was confirmed by a behavioral experiment conducted alongside the study. The experiment showed that our willingness to trust people we don't know changes very little with age. "One possible explanation is that, in contrast to the domains of work and recreation, the importance of the social domain stays the same across the lifespan or even increases in old age as social networks shrink," says Anika Josef, lead author of the study and researcher at the Center for Adaptive Rationality in the Max Planck Institute for Human Development. Overall, women are less prone to take risks than men in all domains and across the whole lifespan.

At the individual level, the researchers also analyzed how risk-taking propensity relates to the [personality traits](#) of openness to experience, agreeability, conscientiousness, neuroticism, and extraversion. They found that individual risk-taking propensity is associated with the traits of extraversion and openness to experience. "In other words, if someone becomes more open or more extraverted over the course of time, their willingness to take risks is also likely to increase – and vice versa," explains co-author David Richter (SOEP).

"Risk-taking propensity can be seen as a personality trait that is subject to change over the life course. But the changes that occur may differ from one domain to the next," adds co-author Rui Mata, Assistant Professor and head of the Center for Cognitive and Decision Sciences at the University of Basel. "It is also interesting that individual changes over time are associated with changes in known personality traits," says Rui Mata.

The study drew on longitudinal data from the German Socio-Economic Panel (SOEP). Specifically, the researchers analyzed data provided by 44,076 individuals from 18 to 85 years of age, 52% of them women, between 2004 and 2014. The respondents answered questions on their general risk-taking propensity at up to nine measurement points. Additionally, 11,903 respondents rated their attitudes to risk in specific domains of life, such as finances, recreation, work, health, social interactions, and driving, up to three times. As well as using these self-report measures, the researchers conducted behavioral experiments with respondents from another SOEP subsample to assess risk-taking behavior and trust.

"It's too often assumed that risk taking changes dramatically with age based largely on generalizations and stereotypes about more cautious older individuals. Here we show with the largest study to date on the topic that these assumptions are unfounded," says Gregory Samanez-Larkin, co-author and Assistant Professor of Psychology, Cognitive Science, and Neuroscience at Yale University. "The findings are likely to inspire new research on topics that have so far received less attention, such as age differences in social decision making."

**More information:** Anika K. Josef et al. Stability and Change in Risk-Taking Propensity Across the Adult Life Span., *Journal of Personality and Social Psychology* (2016). [DOI: 10.1037/pspp0000090](https://doi.org/10.1037/pspp0000090)

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