

Here's a Better Way to Deal With Life's Risks

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The world is an uncertain and risky place. The news constantly bombards us with scary situations from [school shootings](#) to gruesome murders.

Risk is everywhere and associated with everything. For example, the Centers for Disease Control and Prevention a decade ago estimated 234,000 people a year [ended up in emergency rooms because of bathroom injuries](#) alone.

While this figure is shockingly high, it probably won't prevent you from using the toilet or washing your hands. And in general, [hiding under the bed to avoid risky](#) decisions is not a realistic option for living life.

In part, that's because we're all risk analysts, continually weighing the costs and benefits of every decision we make. The problem is, most of us aren't actually that good at it. As an economist, I thought it would be interesting to explore how we weigh risk in our daily lives – and how we might be able to do it more accurately.