

On Risk in Context

Every moment the brain is flooded with discrete sensory signals together with signals re-presented from memory. Within this cacophony as *context*, learned patterns are matched. Patterns do not exist *out-there*, known patterns are imposed on this context such that associated responses can be enacted for success or survival.

It is when the match is poor or missing that a level of motivation or stress arises, call it *uncertainty*. This imposition process has become known as *predictive processing/coding* and is a major component of the generative model in contemporary AI.

Making Sense of Uncertainty

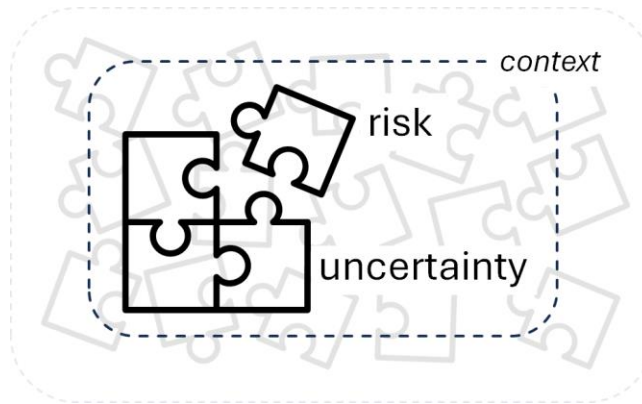
A useful way to think about risk is as part of a sensemaking process; one way we make sense of uncertainty. Risk of some event, as a subjective idea, completes an incomplete pattern match; it fills blank spots and smooths contradictions. We do not know what the weather will be tomorrow, but the risk of rain completes the forecast. Foremost, risk is subjective prediction, constructed not perceived; risk is a personal mechanism to manage uncertainty.

Social Risk

'Social risk' sometimes refers to practices that may have untoward effects on people and the environment, so-called *Environment-Social-Governance* risk. But there is another kind of social risk, the subjective risk of social behavior, of groups forming and doing real things, such as ruining brand reputation, but only because of commonly held individual beliefs. It is at our peril that we reify this latter social risk, assume it is objective and *out-there* when the only thing out-there is what we do based on the risk-qualified match.

Context

Context is extremely complex and multi-dimensional (multi-modal). A seemingly simple scan of a street generates a cacophony of images, sounds and scents that are mixed with re-presentation of previous individual experiences in the area, perhaps a mugging, perhaps a marriage proposal.



Social risk is insidious; subtle changes in context can alter the observer's match and subsequent response. Without force or coercion, a con artist can edit the context causing the observer to re-match and change their response; to respond as previously learned, but *out-of-context*. It is how propaganda converts a bystander into a collaborator.