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## SECTION 2

# **A world of asymmetry: How risk perceptions vary across countries and cultures**

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Climate change, cybersecurity, political instability, energy risks... Today's world is prone to major upheavals, but the appearance of various threats is not experienced everywhere in a uniform manner. While there seems to be international consensus on our planet's environmental emergency, many historical, economic, and geopolitical factors explain the predominance of certain subjects at the national or continental level. In collaboration with the *AXA-ENS Research Chair in the Geopolitics of Risk*, this section provides a comparative analysis of the differences in perception of environmental, security, and energy risks, taking five countries as a field of study: France, the United Kingdom, China, Japan, and the United States.

# Climate change: A concern without borders

## Focus on demographics

Age and gender both play a role in assessing the risks of climate change. Across all countries surveyed except China, women tend to be somewhat more likely to describe climate change as a major threat than men. The United States showed the greatest gender gap with a 20 percentage-point difference on this issue, with 60% of female respondents considering climate change a top priority versus 40% of men. Meanwhile, in China, the gender gap is almost nonexistent, with just a 2-point difference between men and women (51% versus 49%).

Country-to-country differences exist among the age groups who are mostly concerned about climate risk. For instance, looking at older generations, Japanese respondents over 65 are significantly more likely to view climate change as a threat (38%) compared to the same age group in the United States (25%) and in China (9%). Zooming in on the U.S., respondents under 25 demonstrate the most substantial margin of concern regarding climate change compared to younger generations across all other countries surveyed (12% versus 4% in the U.K.). This challenges widespread assumptions about global generational divides on this issue and highlights the importance of considering country-specific contexts when developing solutions for global challenges.

Climate change is already one of the most pressing challenges to global security, and it will only become more severe in the decades to come. It is therefore no surprise that in 2022, respondents from all around the world shared similar concerns regarding climate risks. Climate change is ranked as the number one risk facing society in the next 5 to 10 years by British (50%), American (38%), French (54%), and Japanese respondents (52%). Chinese respondents are also aware of climate risks (31%) but see pandemics and infectious diseases (51%) as a more immediate threat.

Awareness around climate-related risks has been gaining momentum around the world, which is not only a consequence of outreach campaigns, but also a result of respondents' first-hand experience of the effects of climate change. Extreme weather events such as droughts, wildfires, and floods, while more severe in some areas than others, were felt globally in 2022, which certainly reduced the perception gap regarding climate change. As well as reflecting the growing concern about climate change, the survey's results demonstrate how deeply it has impacted global risk perceptions in recent times.

Still, some differences exist between countries. In China, climate change is seen as slowly emerging (45%), while many American respondents (41%) consider that it is progressing rapidly. It is highly likely that this trend is driven by the steady increase in extreme weather events in the U.S. throughout 2022, a year that will be remembered for its devastating storms and floods as well as its extreme heat waves, droughts, and wildfires.

Contrastingly, in Japan, an overwhelming majority of the respondents define climate change as a longstanding and enduring issue (62%). As a result of its geographic characteristics, the country has experienced numerous weather catastrophes over the years, including the tsunami that caused the Fukushima nuclear disaster in 2011.

Furthermore, the identification of more specific climate-related risks also varies across

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**62%**

**of Japanese respondents consider climate change as a longstanding and enduring issue**



countries. In France, for example, individuals are mostly concerned about pollution, with roughly two-thirds of respondents ranking it as the fourth-greatest risk after geopolitical instability (35%). In China, where respiratory mortality linked to air pollution is a major public health issue<sup>1</sup>, respondents largely share this concern (sixth-biggest risk for 26% of respondents). By contrast, pollution is seen as less of an issue in the United Kingdom (eighth-greatest risk), the United States (ninth) and Japan (tenth). These results demonstrate that behind a shared sense of eco-anxiety lies diverging sociocultural contexts, constructed notions of risk, and historical legacies.

In terms of finding solutions, a majority in France (52%), the United Kingdom (56%), and Japan (48%) believe that decisions will be most effective if made at a global level, and a sizeable share of the public in China (47%) and the United States (45%) agree. This indicates that trust in international institutions, albeit recently challenged by the global health crisis, still prevails<sup>2</sup>. The vulnerabilities highlighted by the Covid-19 crisis provide an incentive to reinforce cooperation to tackle challenges, on both continental and global levels<sup>3</sup>.

1- [Chinese Air Pollution Linked to Respiratory and Cardiovascular Deaths, American Thoracic Society, 10 February 2017.](#)

2- [Beqiraj, J., and Ippolito, F. \(2021\). COVID-19 and International Organizations: Challenges and Opportunities from the Perspective of Good Governance and the Rule of Law. International Organizations Law Review 18, 3, 293-306, Available From: Brill.](#)

3- [Summary Note of COVID-19 Webinars of the Partnership of International Organizations for Effective International Rule-making, OECD.](#)



## Neighbors Japan and China differ in their perception of geopolitical risks

Two neighbors can have quite different opinions, and when it comes to geopolitics, that is certainly the case with China and Japan. While Chinese respondents perceive geopolitical instability as the second-greatest threat to society in the coming years, respondents in Japan are much less anxious. Geopolitical risks only rank fifth for Japanese respondents, after climate change (52%), pandemics and infectious diseases (47%), energy (45%), and cybersecurity risks (37%).

Despite their geographical proximity and certain shared cultural traits, the two countries have very different perceptions of current geopolitical issues such as the decline of multilateralism, nuclear threats, energy security, military conflicts, and cyber warfare. This could be a consequence of the divergent roles the two countries play in the international system. Despite its permanent seat on the UN Security Council, China is currently experien-

cing growing isolation on the international scene, fueled by global criticism of Beijing's aggressive policies and human rights violations. This could naturally generate uncertainty and anxiety among Chinese citizens, while their Japanese neighbors are unaffected by such controversies.

The differing perceptions of Chinese and Japanese populations are also keenly reflected in how they estimate the effects of geopolitical instability on their respective societies. Chinese respondents demonstrate high levels of awareness about geopolitical risks (77%), while in Japan, the public is more likely to report being "unaware of those issues (51%)." This indicates that although geopolitical risks may have equally significant impacts on most East Asian countries, they are not perceived in the same way by the general public in China and Japan.



**77%**

**of Chinese respondents demonstrate high levels of awareness about geopolitical risks**

Despite these differences in opinions, the two countries tend to agree on the solution for preventing adverse consequences of global crises. Chinese and Japanese respondents respectively rate the military as the second and third most capable actor to address a potential global crisis in the next 12 months. Such faith in the army's ability to respond to a crisis indicates potentially growing concern among the Chinese and Japanese populations about the intensification of conflicts in East Asia.

Contrasting perceptions of geopolitical risk in China and Japan are not only related to their respective positions in the international order, but also to their histories. Currently, Japan benefits from the protection provided by its military alliance with the United States. However, considering its history as the only country to have experienced the full force of nuclear weapons, Japan is acutely aware of the possibility of a global war and the reality of

its consequences (75%). This awareness has gained momentum lately among top public officials, as illustrated by Japan's record-high 2023 defense budget. This new National Security Strategy<sup>4</sup> shows a clear political will to invest in the country's defense capabilities in the coming years. As the biggest military buildup in the country since World War II, it is certainly possible that Japanese perceptions of risk may change in 2023.

On the other hand, while geopolitical instability is on the minds of respondents in China, they also appear to be more skeptical of the likelihood of war. Interestingly, despite a higher level of awareness, the Chinese population is less convinced than the Japanese that geopolitical tensions could lead to fresh global warfare. For the majority of Chinese respondents, geopolitical tension has always existed, and the risk of escalation into a world war remains low (56% versus 25% in Japan).

4- [National Security Strategy of Japan, Ministry of Foreign Affairs, December 2022.](#)

## How are Europeans coping with growing geopolitical tensions?

Since the invasion of Ukraine, geopolitics has become omnipresent in the European media, yet Europeans are divided on the importance of geopolitical stability. This is particularly evident when comparing public opinion in France and the United Kingdom. While both populations share similar levels of awareness of geopolitical risks (51% in France versus 56% in the United Kingdom), they are not perceived with the same urgency in both countries.

A sizeable portion of French respondents view geopolitical instability as the third-greatest future risk that may have a significant impact on society in the next 5 to 10 years, while their counterparts from the U.K. rank geopolitical risks as only the fifth-biggest threat, instead considering energy risks (45%), pandemics (39%), and cybersecurity (35%) as greater causes for concern. This regional divide on the impact that political and security crises

could have on economic, human, or diplomatic interests can be explained by the way geopolitical risks are depicted by political elites in the two countries. In France, President Macron has been a strong and ambitious proponent of liberal internationalism and has pushed geopolitical issues to the top of the agenda during his time in office. Meanwhile, in recent years, the United Kingdom has been increasing its focus on bilateral relations regarding foreign and security policies<sup>5</sup>.

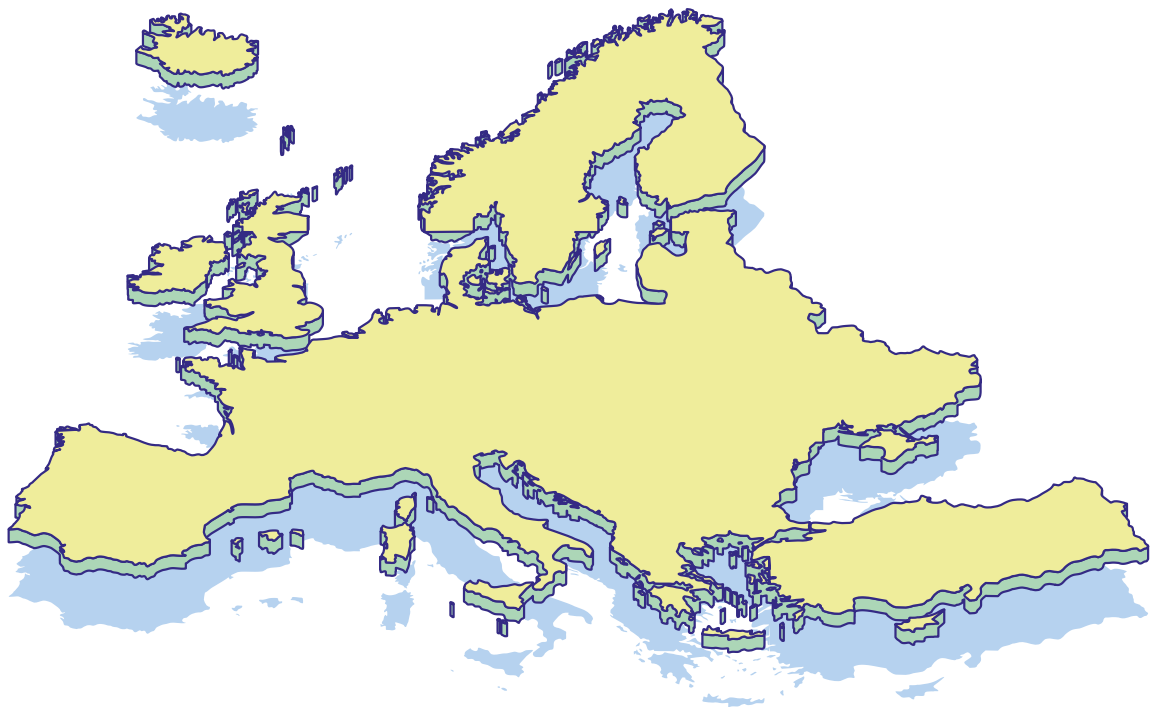
Divergences between the two populations also appear when respondents are asked what level of decision is the most appropriate in addressing global issues. Respondents in the United Kingdom show a tendency to trust international organizations more than the French (55% versus 44%). In France, the population is more likely to believe that decisions to address future risks should be made at the country level (34% versus 22%).



**55%**

**of respondents in the United Kingdom show a tendency to trust international organizations (versus 44% in France)**

5- [Summary of France's Bilateral relations with the United Kingdom.](#)



Despite these differences, the French and the British believe that geopolitical tensions have the potential to escalate. In both countries, an overwhelming majority believe that current tensions could lead to a new global war (69% in France versus 74% in the U.K.).

Anxiety about the current state of the world is shared among populations across the European continent. Over the last year, these concerns have unfortunately been confirmed and sharpened by the war in Ukraine. It is therefore no surprise that the fears raised by the reality of an armed conflict in Europe have transformed into a determination to act, in Paris and in London.

Russia's invasion of Ukraine has prompted a review of defense budgets in both countries. While the United Kingdom plans to review its 2021 Integrated Review and Defence Command Paper<sup>6</sup>, in France, the Ministry of Armed Forces has proposed a €49.3 billion defense budget for the fiscal year 2023<sup>7</sup>, marking an increase in defense spending for the sixth year in a row. This is expected to increase even further in the coming years as each country seeks to modernize its armed forces and expand its military capabilities in response to growing security threats around the world.

### **Demographic differences in the perception of geopolitical risks**

The results highlight that in both countries, female respondents (52% versus 48% in France; 54% versus 47% in the United Kingdom) and older respondents tend to be the most concerned about geopolitical risks. In the United Kingdom, adults in their mid-50s to mid-60s are more likely to be preoccupied with geopolitical instability (26%). Meanwhile, in France, real signs of concern arise slightly later, from the age of 65 onwards (26%). Nevertheless, on average, younger generations in France (between 18 and 25) are almost three times more likely to consider geopolitical instability a major threat than young people in the United Kingdom (8% versus 3%).

6- [The war against Ukraine and the Integrated Review, Council on Geostrategy, 14 July 2022.](#)

7- [Projet de loi de finances des Armées 2023, Ministères des Armées.](#)

# A tale of two countries: Energy vulnerability in France and the U.K.

Following the conflict in Ukraine, disruptions in gas supply chains have made energy security a major issue everywhere in Europe. Nonetheless, the perception of energy risks differs from one country to another. This is particularly true regarding France and the United Kingdom, whose respondents present a stark contrast in their understanding of risks related to energy storage technology, rising prices, and supply issues.

While U.K. respondents rank energy as the second-biggest risk based on potential impact to society over the next 5 to 10 years, in France, energy is perceived as more of a marginal concern (8<sup>th</sup> major risk). Consequently, although respondents from both countries perceive energy threats as a longstanding phenomenon (47% in France and 42% in the U.K.), U.K. respondents are significantly more likely to be aware of energy challenges than their French counterparts (77% versus 56%). This substantial difference can be explained by the specificities in the public debate around energy in the two countries. In France, the discussion around energy security and stability focuses on nuclear safety and reliability, as nuclear energy is widely portrayed as a critical guarantee of energy security. In the U.K., rather than nuclear energy, there is a greater acknowledgement of the country's dependence on imported fossil fuels.

In light of its energy vulnerability, the U.K. government is focused on securing supplies. The U.K. formerly benefitted from a steady flow of oil and natural gas extracted from the deep waters of the North Sea, which once constituted its main source of power generation. But it has become increasingly dependent on imported energy in recent years. The publication of the government's new Energy Security Strategy in 2022<sup>8</sup> demonstrates the efforts being made by authorities to reduce

this dependence. As secure energy access will determine the country's capacity for action in other areas, it will become even more crucial in the years to come.



## 2<sup>nd</sup>

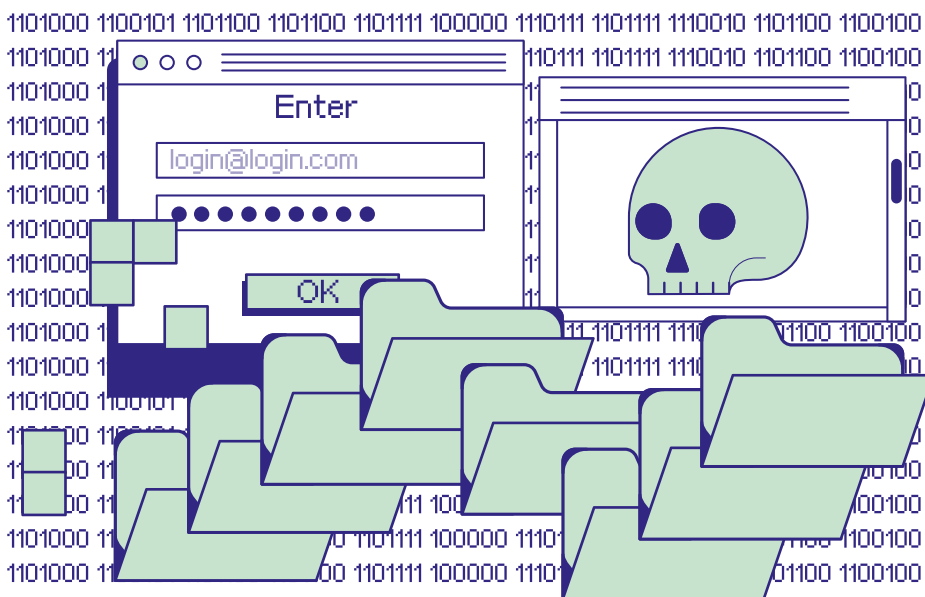
**biggest risk  
for U.K. respondents is  
energy, reflecting the  
country's vulnerability  
and dependence on  
imported energy**

In France, the situation is quite different, since energy supply is already relatively secure. The country benefits from a robust network of domestic production capacity, as well as extensive natural gas and nuclear power generation infrastructure. However, further investments in clean energy technologies, particularly solar and wind power, will be needed if France is to meet its long-term climate change targets.

Today, the United Kingdom and France both face serious challenges in their efforts to reduce carbon emissions and fight climate change. This goes hand in hand with ensuring energy security and maintaining a competitive energy market that remains affordable for consumers. While energy insecurity might pose an equal threat on both sides of the Channel, it remains uncertain whether these divergences in opinion on energy risks will continue, with increasing emphasis placed on energy security.

8- [British energy security strategy](#), HM Government, 7 April 2022.

# In the U.S., cyber threats are on the radar



Technology is becoming more deeply integrated into various aspects of daily life and business processes. One visible example of this is the digitalization of information through connected devices. This exposes individuals and businesses alike to an increasing number of threats and presents security challenges for governments.

Among Americans (37%), cyber threats are considered the third most important risk after climate change and pandemics. Additionally, respondents in the United States appear very much aware of cybersecurity risks (53% versus 39% in Japan). This high level of awareness reflects a widespread recognition of the multifaceted nature of cyber risks and their potential to affect all layers of society. They not only impact Americans at an individual level, but also have deep implications for the

government, companies, and other entities that manage the nation's infrastructure.

Results demonstrate that U.S. respondents are comparatively much more concerned about cybersecurity than about geopolitical instability (third versus eighth risk out of 10). Regardless of variations across states, the United States' economy is very much driven by small businesses, and given that 60% of small businesses that suffer a cyberattack go bankrupt within six months<sup>9</sup>, it is no surprise that cyber threats like ransomware tend to be taken very seriously. The fact that U.S. respondents feel exposed to cyber threats is also reflected in most U.S. financial stability surveys, in which cyberattacks typically rank among the top risks<sup>10</sup>.

In addition to the cyber risks posed to individuals and companies, the threat of attacks

9- [The Need for Greater Focus on the Cybersecurity Challenges Facing Small and Midsize Businesses, US Securities and Exchange Commission, 19 October 2015.](#)

10- [DTCC 2021 Systemic Risk Barometer Survey.](#)



against critical infrastructure is ever more present<sup>11</sup>. Compared with other countries, American respondents tend to perceive cyber risks as a rapidly growing threat (45% versus 22% in Japan). The rise of cyber anxiety that has occurred in the U.S. over the past year has very likely been influenced by the recent media coverage of Russian cyberattacks on essential Ukrainian services and attempts to secure footholds in critical infrastructure in Ukraine (government, financial, and energy)<sup>12</sup>. The scope of some of these attacks has been severe, with some causing widespread power outages across Ukraine. There is also no doubt that the current energy crisis sheds light on cyber vulnerabilities and hints at what cybersecurity might look like in the future. In this context, cyber threats will continue to present serious challenges for government agencies and highlight the need to protect critical sectors such as energy and transport, in which disruptions can have serious consequences.

In addition to the risk posed to infrastructure, cyber threats can also be understood through the prism of information<sup>13</sup>. Foreign interference, such as cyberattacks by government-affiliated players and non-state players, is a prime example of that. While foreign manipulation of information and attempts to influence domestic politics for ideological and geopolitical motives primarily target governments, these efforts nonetheless affect citizens. The high levels of cyber concern among U.S. respondents might also result from the increased media coverage of threats posed to election infrastructure, particularly noticeable during the 2016<sup>14</sup> and 2020 federal elections<sup>15</sup>.

This awareness reflects a sense of vulnerability and desire for a comprehensive approach to cyber risks, which would focus on the security of critical infrastructure, as well as disinformation and geopolitics. Only through continuous coordination in the international community and among diverse stakeholders (including governments, private industry, civil society, academia, and journalists) can the effects of these growing threats on the U.S. economy and national security be mitigated.

## Focus on demographics

Perceptions of the importance of cybersecurity vary significantly within the United States. Young Americans are generally less likely to worry about cybersecurity — just 8% of U.S. respondents who consider cyber risks a priority are under 25. However, this changes as soon as respondents enter the workforce: individuals from ages 25 to 34 are roughly twice as likely to find cyber risks worrying (18%).

Older generations tend to have more pronounced negative views of cyber risks, with respondents above their mid-60s reporting high levels of cyber-related concerns (29%). With regards to gender, female respondents are notably more likely to worry about cybersecurity than male respondents (61% versus 39%).



**45%**

**of American respondents tend to perceive cyber risks as a rapidly growing threat (versus 22% in Japan)**

11- [Federal Bureau of Investigation \(FBI\), Cybersecurity and Infrastructure Security Agency, Office of the Director of National Intelligence, and National Security Agency, Joint Statement, 5 January 2021.](#)

12- [Special Report: Ukraine an Overview of Russia's cyber-attack activity in Ukraine, Microsoft, 27 April 2022.](#)

13- In fact, "new security threats," defined as "evolving terror attacks, cyber warfare and fake news" are the fourth biggest risk after "cybersecurity threats," according to American respondents.

14- i.e., the 2016 Democratic National Committee data leak.

15- [Foreign Threats to the 2020 U.S. Federal Elections, National Intelligence Council, 10 March 2021.](#)

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### **Design, Artwork, Text Edition & Scenarios**

Usbek & Rica, the media that explores the future, chronicles the upheavals of our time, in all fields. With a prospective method, inherited from journalism and humanities, Usbek & Rica seeks to describe the unnoticed present, to detect transformations in the making, and to increase the stock of “thinkable futures.”

For this report, Usbek & Rica explored the major trends and weak signals in our relationship with risk in order to highlight questions and reflections that are being asked in the present and that will serve the future.

### **About the AXA Foresight Team**

Insurance is built on future potential events. Its success is based on understanding and anticipating them through the best possible vision of tomorrow. This is the role of Group Foresight: to help provide a lens into possible futures by identifying emerging trends for the years ahead, allowing us to better navigate uncertain times. Examining long-term transformations and their related challenges allows us to explore the ways in which our societies may be affected in the future and what role insurance might play in a fast-changing world.

The AXA Foresight Team’s work focuses on three main pillars. Its analysis is also supported by the expertise brought by the AXA Research Fund’s community of researchers.

### **The 2023 Foresight Report is the achievement of the AXA Group Foresight Team:**

Olivier Desbiey, Xinyue Zhang, and Margherita Massazza, with great support from our AXA Research Fund colleagues and Marie Bogataj.



**Environment & Climate Change**



**Health**



**Socio-Economics & Technology**

## Methodology

### Database

The Future Risks Survey, conducted by IPSOS on behalf of AXA, serves as the database for the Foresight Report 2023. Two groups—experts and the general public—were surveyed online between May 13<sup>th</sup> and June 9<sup>th</sup>, 2022. The Foresight Report 2023 leveraged the data of the general public, including 18,999 individuals from 15 countries (Australia, Belgium, China, France, Germany, Hong Kong, Italy, Japan, Mexico, Morocco, Nigeria, Spain, Switzerland, the United Kingdom, and the United States)—4,999 in the United States, and 1,000 across each of the rest of the countries. With countries chosen based on geography and market size, respondents were selected from a sample of adults over the age of 18 to be representative in terms of age, gender, and occupation.

### Methods

The data analysis of the report consists of four parts: cross tabulation, correlation test, semi-structured interviews, and comparative analysis.

To begin, all respondents are divided into four groups according to their risk-taking attitudes, which concerns the question “Are you someone who usually takes risks?” Based on the self-reported answers (yes, a lot; yes, a little; not really; not at all), the respondents are respectively categorized into strong risk-taker, moderate risk-taker, moderately risk-averse, and strongly risk-averse. Building on this, we conducted the following quantitative and qualitative analysis to further examine the relationship between risk-taking attitudes and demographic and socioeconomic variables globally and in specific countries.



#### 1- Cross tabulation:

To describe the relationship among various variables, we used cross tabulation analysis to examine how certain social groups perceive risk (see, for example, *The gender of risk*).



#### 3- Semi-structured interview:

For Section 2, based on the results of the data analysis, we conducted five informal semi-structured interviews with experts and scholars specialized in International Relations and Political Science, notably in the five countries examined in this section (France, the U.K., China, Japan, and the U.S.). The objective was to build an academic and comparative framework of how the five countries differ and converge in their perception of certain risks and their underlying relationships with the political and economic system.



#### 2- Correlation test (chi-square test):

The correlation test is used to determine how attitudes to risk correlate with other variables on risk perception and lifestyles (see, for example, *Is risk-taking the key to success?*).



#### 4- Comparative analysis:

Chiefly applied in Section 2, comparative analysis examines how two countries differ in perceiving certain risks. Beyond the descriptive level, the comparative method also touches upon how differences in political and economic structures between two countries influence respondents' attitudes toward those risks.

