

## It's not just the building cracks or cladding – sometimes uncertainty does even more harm

Written by Will Rifkin, Chair in Applied Regional Economics and Director, Hunter Research Foundation Centre, University of Newcastle

---

[News](#) of evacuations from cracked apartment buildings in Sydney and the [need to replace combustible cladding across Australia](#)

illustrate how uncertainty compounds problems for those affected. Who is responsible for the remedy? Residents have had to leave their homes indefinitely, [not knowing when their buildings can be repaired and made safe](#). Others remain in at-risk buildings with the constant [worry about what might happen if fire breaks out](#).

Some may also wonder whether the remedies really are “safe”. And how much they will be out of pocket? Some [express concern about whether they will ever be able to sell their unit](#) and what their financial fate will be given that their home is their largest investment.

The [outcome of last Thursday’s Building Ministers’ Forum](#) did little to end the uncertainty plaguing residents. More broadly, the uncertainty is hitting the construction industry, with [insurance costs rising and some insurance being withdrawn altogether](#).

---

**Read more:** [\*\*\*Flammable cladding costs could approach billions for building owners if authorities dither\*\*\*](#)

---

## Uncertainty gnaws away at us

How uncertainty plays a central role here can be seen in a little known but classic piece written 50 years ago by a cultural anthropologist. Professor Elizabeth Colson drafted “Tranquility for the Decision-maker” for a volume, [Cultural Illness and Health](#).

Colson had studied the Gwemba Tonga of east-central Africa, in what is now Zambia. Villages of the Gwembe Tonga were faced with displacement due to the building of a dam on the

## **It's not just the building cracks or cladding – sometimes uncertainty does even more harm**

Written by Will Rifkin, Chair in Applied Regional Economics and Director, Hunter Research Foundation Centre, University of Newcastle

---

Zambezi River. They were given a choice of where to settle.

However, the construction zone barred the villagers' access to the ritual grounds where they traditionally made such decisions. An inability to arrive at a decision resulted in prolonged uncertainty. Colson witnessed behaviour that suggested the harm that uncertainty had on individual and community mental health.

Colson also told of how the group dealt with drought. Farmers had seed they could plant and then tend, but if they planted it too soon before the rains, the seed would be lost. If they planted it too late or failed to tend it, then the plants would not reach maturity, and they would have no crops for food and no seed for the next year.

Villagers figured that they could find a way to cope with having no crops; they had a "plan B". However, each day they dithered about whether to plant, going out to the fields but then returning again. The uncertainty had harmful effects on the villagers, Colson explained. They lacked a way to determine whether to adopt "plan B" or stick with "plan A".

Such an analysis suggests that we can deal with good fortune and bad fortune. What really drives us up the wall is uncertainty.

This uncertainty can be generated by the unpredictability of nature or the volatility of international markets. It's made worse in situations where clear and unambiguous information is missing.

More problematic are complex and costly situations where delay results from blaming and [manoeuvring to avoid paying the financial or political cost](#) of a decision. These two elements can occur in unison: a lack of knowledge and potentially responsible parties evacuating the "blame avenue".

Situations where uncertainty is playing a role include farmers facing drought, as in Colson's case, and potential climate change impacts – such as severe weather events for coastal communities.

## It's not just the building cracks or cladding – sometimes uncertainty does even more harm

Written by Will Rifkin, Chair in Applied Regional Economics and Director, Hunter Research Foundation Centre, University of Newcastle

---

**Read more:** [Coastal law shift from property rights to climate adaptation is a landmark reform](#)

---

There are also effects on rural communities of changes in international prices for mining and agricultural exports. Similar dynamics around uncertainty and blame apply to interned [asylum seekers awaiting a government decision](#)

, the

[debate about coal seam gas development in Narrabri](#)

, and

[communities with groundwater contaminated by chemicals like PFAS](#)

.

In these examples, costs to individuals and families are potentially great relative to their resources. Resolution often requires a central role for large institutions, whether government agencies or multinational corporations.

Uncertainty due to a lack of information is being addressed in certain arenas. For instance, mathematical [models to predict the weather are improving](#) . The same can be said for models to predict shifts in international commodity prices.

## Institutional responses make uncertainty worse

Also needing attention are institutional decision-making processes. Decision-making is often fragmented, as it involves disparate organisations or silos in organisations. Add to that a propensity to avoid taking the blame and shouldering the financial or political cost or the potential impact to one's career.

---

**Read more:** [Buck-passing on apartment building safety leaves residents at risk](#)

---

## It's not just the building cracks or cladding – sometimes uncertainty does even more harm

Written by Will Rifkin, Chair in Applied Regional Economics and Director, Hunter Research Foundation Centre, University of Newcastle

---

This domain falls under the banner of “allocation of responsibility”, an area addressed historically by social and cultural anthropologists looking at law and moral codes. Attempting to avoid blame can contribute to delay in decision-making, which prolongs and potentially deepens uncertainty.

Collaborative efforts can reduce such delays and uncertainty. Collaboration requires the building of trusting working relationships among agencies and organisations – a form of what is called “collective impact”. One also needs openness with affected individuals, families and communities – an element in [procedural fairness](#) .

These aspects are relatively easy to identify but challenging to implement and even more challenging to sustain for a prolonged period.

The point here is that the true impact on residents of cracks in their apartment block, flammable cladding, an uncertain migration status, or PFAS in the groundwater is not merely the inconvenience or out-of-pocket expense. The impact includes prolonged uncertainty about very significant elements of their well-being. That has an impact on individual and community mental health, with potential flow-on effects to physical health.

The remedy involves a greater willingness by organisations and agencies to take on responsibility without delay and improved institutional relationships to arrive at suitable resolutions for the long term. So, our concern should not only be about the cracks in the buildings but about the fissures separating those who together could implement remedies.

*Will Rifkin is director of the Hunter Research Foundation Centre, which receives funding from local, state and federal government agencies, as well as private companies, through contract research and research grants related to urban and regional development, infrastructure, innovation and well-being. The HRF Centre is part of the University of Newcastle, and it collaborates on projects with private companies, non-profit enterprises, industry groups, and government agencies.*

Authors: Will Rifkin, Chair in Applied Regional Economics and Director, Hunter Research Foundation Centre, University of Newcastle

## **It's not just the building cracks or cladding – sometimes uncertainty does even more harm**

Written by Will Rifkin, Chair in Applied Regional Economics and Director, Hunter Research Foundation Centre, University of Newcastle

---

**Read more** <http://theconversation.com/its-not-just-the-building-cracks-or-cladding-sometimes-uncertainty-does-even-more-harm-120662>