

Nacaskul, Poomjai (2001), “Toward a Framework of Economic Thoughts Based on Sufficiency Economy”

✚ [\[http://papers.ssrn.com/abstract=2625942\]](http://papers.ssrn.com/abstract=2625942) ✚

Nacaskul, Poomjai (2013), “Sustainable Development – Calling for Policy Analytics and (Wittgensteinian Turn Towards) Economics of Moderation”

✚ 2013 Bangkok Conference – Global Dialogue on Sustainable Development, October, 10th, Bangkok, Thailand, [\[http://papers.ssrn.com/abstract=2334765\]](http://papers.ssrn.com/abstract=2334765) ✚

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RISK MANAGEMENT & SUSTAINABLE VALUE for COMPANIES

ดร.พุมใจ นาคสกุล

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RISK MANAGEMENT & SUSTAINABLE VALUE for COMPANIES

○ RISK MANAGEMENT

- *What is it? How does it enter today's dialogue?*

○ RISK MANAGEMENT & SUSTAINABLE VALUE

- *After all, isn't one a prerequisite for the other?*

○ SUSTAINABLE VALUE

- *Thinking 'Profitability' w/o 'Sustainability' is so 90's!*

○ SUSTAINABLE VALUE for COMPANIES

- *Thinking 'Business vs. Social Responsibility' is so 80's!*

○ RISK MANAGEMENT & SUSTAINABLE VALUE for COMPANIES

- *How exactly should we be thinking in the 2020's?*

RISK?

Evolution of the Notion of {Risk}

- “*Risk has its reward*” – the ancient notion—particularly encapsulated in Greek mythology—is that risk is something to be *taken*, a challenge to *overcome*, an antecedent to modern-day “no risk, no reward” ... and yet the etymological root of the very word “risk” points to some sense of “running into danger”, something to be avoided if at all possible.
- “*Probability as measurable quantities*” – fast forward to 19th/20th century, [Émile Borel](#), [Henri Lebesgue](#), [Johann Radon](#), and [Maurice René Fréchet](#), *et al.*, laid the necessary foundation for ... [probability \(measure\)](#).
- “*What gets measured gets managed*” – In 1883, Lord Kelvin, in his lecture “Electrical Units of Measure” posit that in order to advance to the stage of doing *science* on *something*, one must first be able to measure such a thing ... eventually the (rather heroic) leap from “*<if> cannot measure <then> cannot manage*” to “*<if> gets measured <then> gets managed*” fused into business management literature.
- “*Probabilistic/Utility-Theory notion of risk*” – If probability is measurable, and all things measurable can be managed, then [Risk](#) (especially [Financial Risk](#)), which is probabilistic in nature, is ripe for 20th-century scientific management treatment.

BE Notion of {RISK, SUSTAINABILITY} ?

- *“Risk has the norm; worldly certainty is illusory”*
- *“Sustainability is an expression of noble causal chains; the planet inevitably reverts to workable/optimal ones; humanity can but try to engineer it w/ the best science.”*

RISK MANAGEMENT?

{{FINANCIAL {RISK}} MANAGEMENT}

- RISK \equiv {POSSIBILITY; PROBABILITY; UTILITY}
- FINANCIAL RISKS:
 - Proxy for (monotonic w) utility *measured/quoted in* monetary units,
 - *arisen from/rooted in* financial market *variables/institution factors*,
 - *managed/mitigated by means of* financial *techniques/tools*, and/or
 - *seen as/deemed intrinsic/integral to* financial markets/institutions.
- RISK MANAGEMENT Process:
 - IDENTIFY/define →
 - MEASURE/assess →
 - MITIGATE/control →
 - REVIEW/report → ...

{*MARKET, CREDIT, OPERATIONAL*} *RISK*

- MARKET RISK – the opportunity/possibility-probability of financially relevant gains/losses due to ‘movements’ of the financial-market and/or monetary-economic variables, namely interest/exchange rates, equity/commodity prices, etc.
 - For financial institutions, risk *is* the business.
- CREDIT RISK – the opportunity/possibility-probability of financially relevant losses (occasionally gains) due to ‘credit events’: obligor default, recovery, drawdown risks; counterparty-settlement risks; rating-downgrade risks; risks from taking position in credit derivatives (Credit Default Swaps (CDO), Collateralized Debt Obligations (CDO), etc.)
 - For financial institutions, risk is *compensated* for the business (also *is* the business).
- OPERATIONAL RISK – the opportunity/possibility-probability of (partially) preventable occurrences of failures, errors, frauds, together with noncircumventable turn of events in the form of random accidents, natural catastrophes, man-made disasters, whence resulting in material losses, disruptions, and/or various infractions, thereby severely and adversely impacting financial condition, business conduct, overall institutional integrity.
 - For financial institutions, there will be risk just for being *in* business.

FIN RISK MGMT *Principles/Techniques*

- AVOIDANCE – In reality, risk avoidance is not always possible, and avoiding one type (source) of risk might just mean one has taken on a different type (source) of risk. Putting all the money in saving deposit, for example, incurs the risk of losing power of purchase vis-à-vis monetary inflation.
 - **Key assumption:** a safe haven exists where risk can be avoided.
- INSURANCE – Insurance means one pays someone else to take away the risk.
 - **Key assumption:** the insurance providers themselves do not succumb to the same risk.
- BUFFERING – Buffering means one has enough “safe” money to cushion the loss should “risky” money vanish.
 - **Key assumption:** one can accurately anticipate the risk scenario and thus the size of buffer necessary.
- DIVERSIFICATION – Diversification means not putting all eggs (money) in one basket (asset).
 - **Key assumption:** financial market variables that do not 100% correlate, thus provide the probabilistic basis for diversification, do not become perfect correlates.
- HEDGING – Hedging involves finding one financial instrument to offset the price movements of another financial instrument or market variable, the classic delta-neutral strategy used by option traders being one of the most ubiquitous examples.
 - **Key assumption:** the market for the hedging instrument (near perfect correlate, but one which moves in the opposite direction) exists and continues to exist once the downside risk scenario materializes.

FIN RISK MGMT *Failures/Lessons*

- *Failure* of Portfolio Diversification Doctrine

- vis-à-vis **Black Monday** and Other Market Crashes,
or “Divided We Stand, United We Fall”

- *Failure* of the Gaussian Copula Model
of Default Correlation

- vis-à-vis the **Global Financial Crisis**
(née US Subprime Mortgage Crisis) of late 2000's

Vs. SEP Notion of IMMUNITY BUILDING ?

- RISK MANAGEMENT's implicit assumptions
 - "What gets measured, gets managed."
 - "Statistical relationships can be ascertained."
 - "Human behaviours are essentially governed by reliable, decipherable mechanisms."
- IMMUNITY BUILDING's explicit cognitions
 - "There's a limit to our knowledge, incompleteness to our handles on reality and interacting factors."
 - "By all means, diversify, hedge, buffer, insure (pre-arranged protection/rescue mechanism), but also safeguard yourself against failure of all said mechanisms."
 - "IMMUNISATION works alongside MODERATION and REASON-ABLE-NESS."

RISK MANAGEMENT & SUSTAINABLE VALUE?



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SUSTAINABILITY *as* SCIENCE & ENGINEERING

- SUSTAINABILITY \equiv {LONGEVITY; RENEWABILITY; SCALABILITY}
- SCIENCE addresses:
 - LONGEVITY in terms of thermodynamic decay, fidelity of replication ...
 - RENEWABILITY in terms of **material resource/energy flow cycles**, generation/accumulation/dissipation of by-products ...
 - SCALABILITY in terms of system dynamics, environmental feedbacks ...
- ENGINEERING addresses:
 - LONGEVITY in terms of strength vs. stress & strain, **risk mitigation**, operational lifetime/margin/history, testing/maintenance cycles ...
 - RENEWABILITY in terms of cost of production vs. recycling vs. reusing ...
 - SCALABILITY in terms of nonlinearity of factor interactions, hard limits ...

RISK MANAGEMENT *undermines* SUSTAINABILITY?

- Let's take the so-called "consumption gap" problem
 - *If Risk* = on a macroeconomic scale, consumption (demand) hasn't kept pace with production (supply),
 - *then MITIGATION* = let's boost consumer spending ... *really!?*
- Let's take the so-called "aging society" problem
 - *If Risk* = baby boomers' consumption can't be met by their grand children's production,
 - *then MITIGATION* = let's make more babies ... *really!?*

SUSTAINABLE VALUE for COMPANIES?

What is {SUSTAINABLE {VALUE}}?

- {VALUE} = "We value <...>"
- {SUSTAINABLE VALUE} = "Our values are sustainable" ?
- {SUSTAINABLE VALUE} = "We value sustainable <...>
over unsustainable <...>" ?
- {SUSTAINABLE VALUE} = "We value sustainability
(i.e. as mandate in/of itself) above <...>" ?

NEW GLOBAL GOALS:

CHALLENGES & OPPORTUNITIES *for* BUSINESS

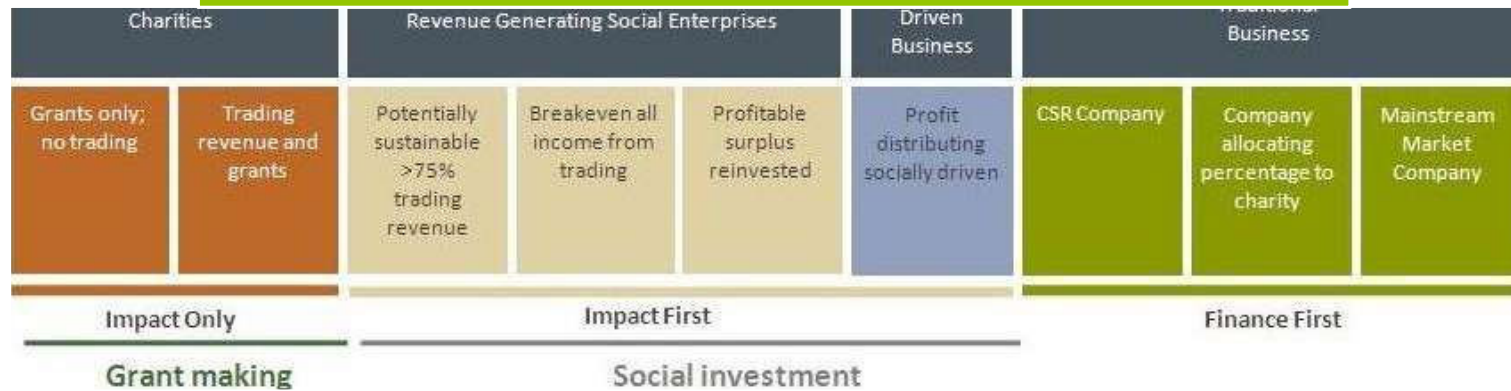
- **The Moral Imperative = NEW GLOBAL GOALS**
 - Development *will happen; we need to make it a Sustainable one*
 - SUFFICIENCY ECONOMY PHILOSOPHY furnishes the necessary SDG mindset/driver
- **The Paradigm Shift = CHALLENGES *for* BUSINESS**
 - Got to ditch the binary for-Profit-versus-for-Charity demarcation!
And replace it w/ notion of Social Enterprise ‘Spectrum of Purpose’
 - Got to ditch the Anglo-American/Friedman model of Mkt. Capitalism!
And replace it w/ ‘Social Impact Investing’, ‘Moral Capitalism’, etc.
- **The Game Changer = OPPORTUNITIES *for* BUSINESS**
 - Green Economy 1.0 – clean production, minimal carbon footprint
 - Green Economy 1.5 – innovating green solutions & technologies
 - Green Economy 2.0 – the very business of greening the planet

PUBLIC ENTERPRISE 'SPECTRUM OF PURPOSE'

<https://thesocialmba.com/2014/07/13/three-legal-questions-to-ask-when-founding-your-social-enterprise>



<http://www.advice-for-good.com/blog/tag/social-enterprise>



THANK YOU!

ไทยพาณิชย์
SCB



ดร.พุมใจ นาคสกุล

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SUFFICIENCY ECONOMY PHILOSOPHY?

SUFFICIENT ECONOMY PHILOSOPHY

Introduced over the backdrop of collective humanity's semi-conscious march towards unsustainable future by His Majesty King Bhumibol Adulyadej of Thailand, **SUFFICIENCY ECONOMY PHILOSOPHY (SEP)** posits an alternative path. In a **SUFFICIENCY ECONOMY**, economic *drives & decisions, processes & institutions, systems & dynamics* are grounded upon the triple intersecting imperatives of **MODERATION**, **REASONABLENESS (CAUSAL NEXUS)** and **IMMUNITY/RESILIENCE**. Here, **MODERATION** may be thought of as a pragmatic embodiment of 'middle-path' thinking, albeit much, much more subtle and discriminating than the oft-dangerous heuristics of finding the 'middle ground' between two polar opposites or extremes. **REASONABLENESS** embeds the very notion of causality or causal nexus between actions and consequences, intended or otherwise. And **IMMUNITY/RESILIENCE** underlines the recognition that risks and systemic fragilities, financial or otherwise, often times cannot be managed exogenously *ex post*, but can and ought to be immunized against endogenously *ex ante*. **IMMUNITY** is as much a programme as it is a phenomenon; and **RESILIENCE** is as much a goal as it is an outcome.

Moreover, SEP insists on **PRUDENCE** vis-à-vis the application of knowledge to the planning and execution of enterprises, concomitant with **INTEGRITY** instilled and reinforced as moral foundation of the nation, as the paired requisite conditions by which such a **SUFFICIENCY ECONOMY** may achieve balanced prosperity, as well as be prepared for rapid *material, social, environmental and cultural* changes taking places globally.

In short, with **MODERATION**, **REASONABLENESS**, and **IMMUNITY/RESILIENCE**, an **ECONOMY** is said to be **SUFFICIENCY ECONOMY**, or abiding to the **SUFFICIENCY ECONOMY** principles. A **SUFFICIENCY ECONOMY** that operates with **PRUDENCE** and **INTEGRITY** is then on the path to **SUSTAINABLE DEVELOPMENT**, that is, to prosper inclusively and sustainably.

SUFFICIENT ECONOMY PHILOSOPHY

*“Sufficiency Economy” is a philosophy that stresses **the middle path** as an overriding principle for appropriate conduct by the populace at all levels. This applies to conduct starting from the level of the families, communities, as well as the level of nation in development and administration so as to modernize in line with the forces of globalization.*

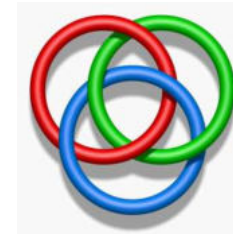
“Sufficiency” means moderation, reasonableness, and the need of self-immunity mechanism for sufficient protection from impact arising from internal and external changes. To achieve this, an application of knowledge with due consideration and prudence is essential. In particular great care is needed in the utilization of theories and methodologies for planning and implementation in every step. At the same time, it is essential to strengthen the moral fibre of the nation, so that everyone, particularly public officials, academic, businessmen at all levels, adheres first and foremost to the principle of honesty and integrity. In addition, a way of life based on patience, perseverance, diligence, wisdom and prudence is indispensable to create balance and be able to cope appropriately with critical challenges arising from extensive and rapid socioeconomic, environmental, and cultural changes in the world.”

Box 1: “Sufficiency” and “Sufficiency Economy” — **Dharmapiya, Priyanut (2004)**, “An Introductory Note on Sufficiency Economy”, *ASEAN Economic Bulletin* (renamed: *Journal of Southeast Asian Economies*), vol. 21, no. 1 (April).

SUFFICIENCY ECONOMY PHILOSOPHY

○ The Triple Principles

- ❑ MODERATION (MIDDLE PATH) ความพอประมาณ
 - ❑ REASON-ABLE-NESS (CAUSAL NEXUS) ความมีเหตุผล
 - ❑ RESILIENCE (IMMUNITY BUILDING) ความจำเป็นที่จะต้องมีการมีระบบภูมิคุ้มกันในตัว
- [from trenchant economy to sufficiency economy]



○ The Double Conditionalities

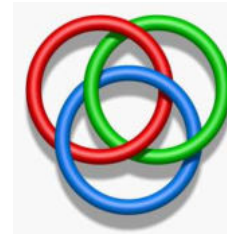
- ❑ PRUDENCE (WISDOM VIS-À-VIS APPLICATION OF KNOWLEDGE)
...ความรอบรู้ความรอบคอบและความระมัดระวังอย่างยิ่งในการนำวิชาการต่างๆมาใช้...
 - ❑ INTEGRITY (ETHICAL CHARACTER AS INSTILLED NATIONHOOD)
...พื้นฐานจิตใจของคนในชาติ...คุณธรรมความซื่อสัตย์สุจริต...ความอดทนความเพียร...
- [from sufficiency economy to sustainable development]

SUFFICIENCY ECONOMY PHILOSOPHY

○ The Triple Principles

□ MODERATION (MIDDLE PATH) ความพอประมาณ

- Moderation \approx Optimality \neq Idleness
- Middle Path \neq (Extreme #1 + Extreme #2) $\div 2$
- Middle Path \neq (Good/Healthy + Evil/Destructive) $\div 2$

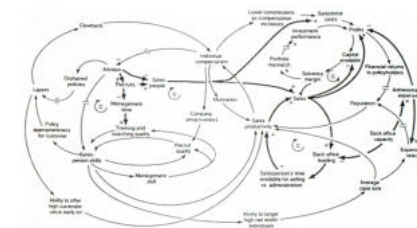


lagom
just the
right amount



□ REASON-ABLE-NESS (CAUSAL NEXUS) ความมีเหตุผล

- Problem = Effect \Leftarrow Cause = Effect \Leftarrow Cause ...
- Cause \in {w/n 'Control'} \cup {beyond 'Control'}
- Moderation \Rightarrow Action Scope \equiv {w/n 'Control'}



□ RESILIENCE (IMMUNITY BUILDING) ความจำเป็นที่จะต้องมีการภูมิคุ้มกันในตัว

- Resilience = 'Input' \neq 'Outcome'
- Immunity \Leftarrow {'Survival'} \cup {'Vaccination'}
- How Immunity 'protect' Balance (\Leftarrow Moderation)



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SUFFICIENCY ECONOMY PHILOSOPHY

○ The Double Conditionalities

□ PRUDENCE (WISDOM VIS-À-VIS APPLICATION OF KNOWLEDGE)

...ความรอบรู้ความรอบคอบและความระมัดระวังอย่างยิ่งในการนำวิชาการต่างๆมาใช้...

- “Give a small boy a hammer, and he will find that everything he encounters needs pounding.” – Abraham Kaplan (1964), *The Conduct of Inquiry: Methodology for Behavioral Science*.
- “I suppose it is tempting, if the only tool you have is a hammer, to treat everything as if it were a nail.” – Abraham Maslow (1966), *The Psychology of Science*.



□ INTEGRITY (ETHICAL CHARACTER AS INSTILLED NATIONHOOD)

...พื้นฐานจิตใจของคนในชาติ...คุณธรรมความซื่อสัตย์สุจริต...ความอดทนความเพียร...

- ‘Honesty the Best Policy’ – Sir Edwin Sandys (1599), *Europae Speculum*.
- ‘Patience is a Virtue’ – Prudentius (5th cent. AD), *Psychomachia*.



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SEP for SDGs?

SUFFICIENT ECONOMY PHILOSOPHY

SUSTAINABLE DEVELOPMENT

Time for a truly Global Dialogue ?

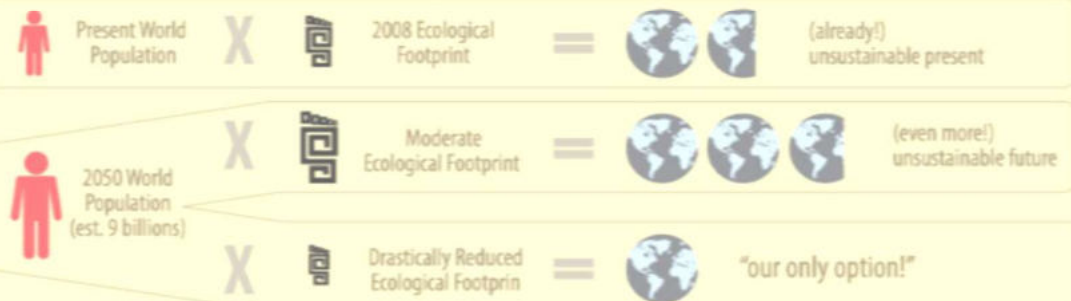
“Sufficiency Economy Philosophy instills the imperative policy mindset integral to mankind’s Developmental path toward Economic, Environmental, Social and Cultural Sustainability.”*



Mahatma Gandhi

“ It took Britain half the resources of this planet to achieve its prosperity. How many planets will India require for development? ”

Clearly, our ultimate goal must not be for the burgeoning population in the developing world to attain the affluent, yet wasteful and exhaustive, standard of living of the industrialised West.

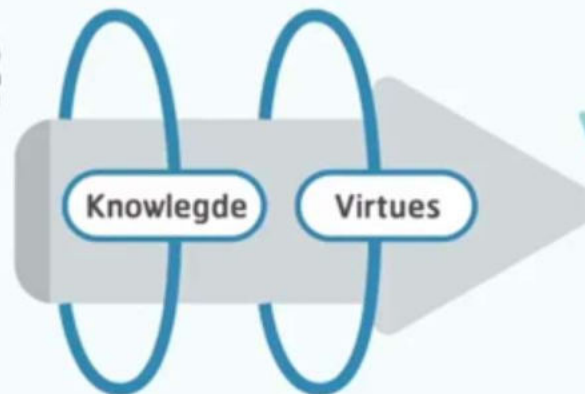
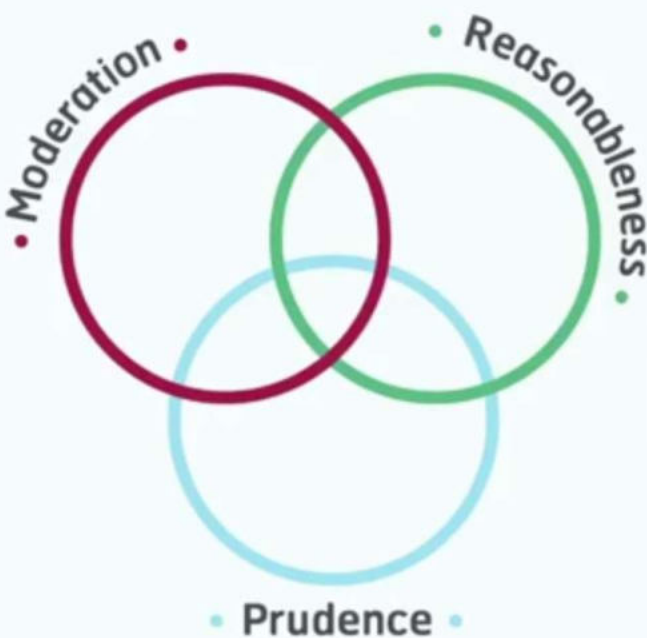


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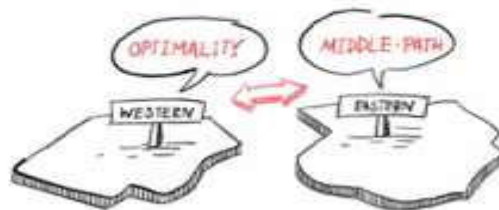
'SDG4SDG' on YouTube

www.youtube.com/watch?v=2xDeO6N4uzc & www.youtube.com/watch?v=dOTdnPBjHTE

SDG, SEP & Thailand Sustainable Development Foundation



- ✓ Good decision-making
- ✓ Economic policymaking
- ✓ Developmental programmes planning



MODERATION
QUANTITATIVE
 "Treats quantities of an individual person to get nothing at an international level"
QUALITATIVE
 "Optimal paths to the desired end must not be seen that take on by the extremes, one way or the other"

EFFECT from CAUSE & CAUSAL NEXUS

CAUSALITY

KNOWLEDGE is applied to the planning and execution of INTERPRETATIONS in all forms and at all levels



VIRTUES
 that ensure ethical, personal and professional INTEGRITY with the very fabric of NATIONHOOD and GLOBAL CITIZENSHIP

In fact, **PRUDENCE** calls for **IMMUNISATION** vis-à-vis breakdown of fragile **ASSUMPTIONS** implicit in 'RISK MANAGEMENT' models themselves! Nowhere is the case more damning than with the 2008 GLOBAL FINANCIAL (SUBPRIME MORTGAGE) CRISIS



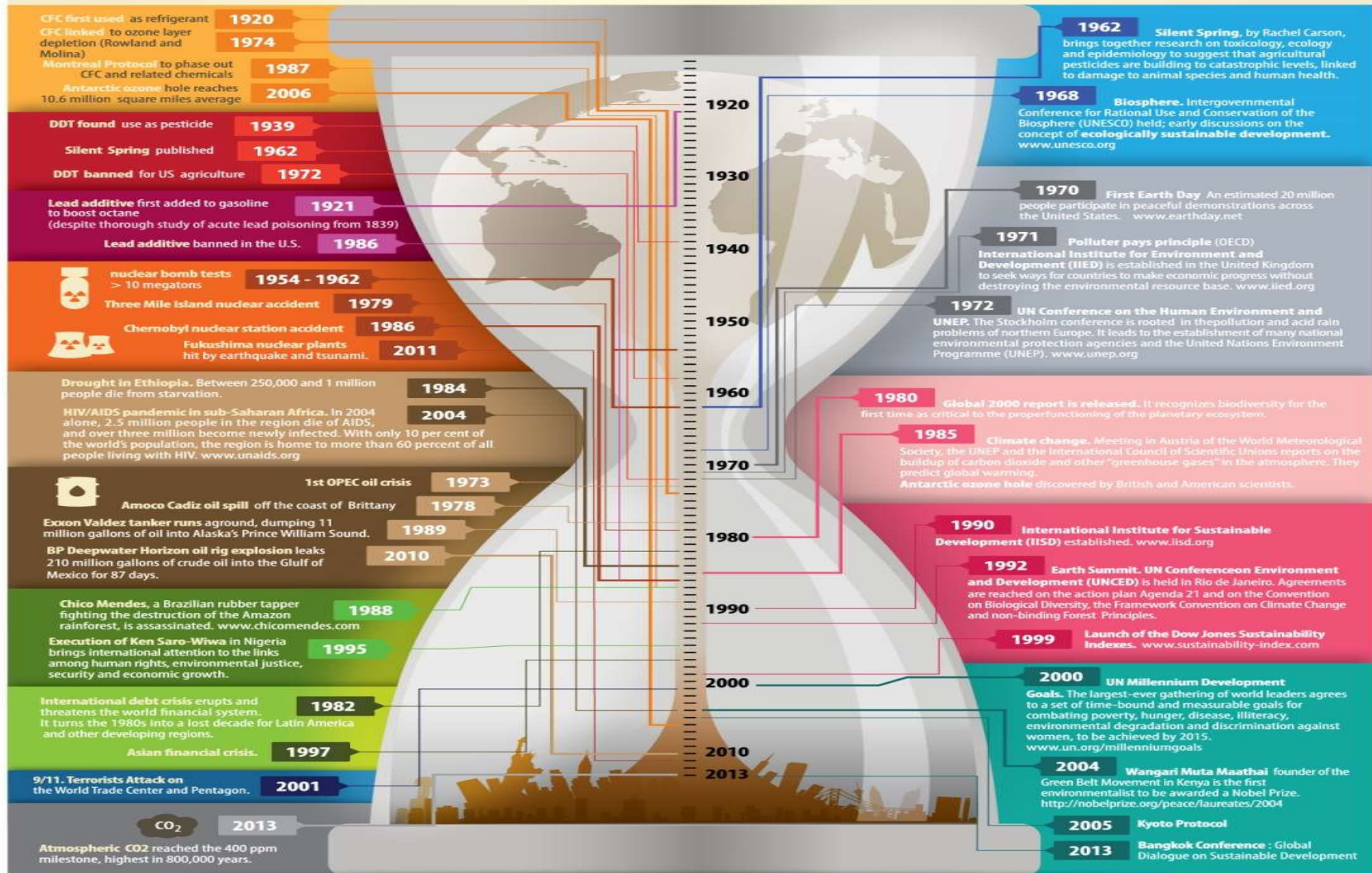
RESILIENCE

Reasonance

Reasonance

SUSTAINABLE DEVELOPMENT GOALS?

Sustainable ? Development TIMELINE*



* primary sources : "Sustainable Development Timeline" (2012) www.iisd.org, www.nasa.gov, www.eris.noaa.gov

Infographics by Quantitative Models and Enterprise Analytics | Graphic Design Center, Siam Commercial Bank PLC, for 'The 2013 Bangkok Conference : Global Dialogue on Sustainable Development', 10th October, www.sdGlobalDialogue.com.



SUSTAINABLE DEVELOPMENT Time for a truly Global Dialogue ?

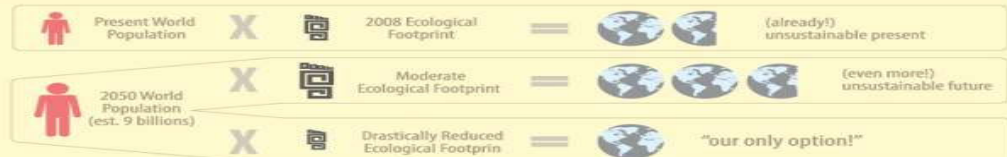
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Fresh Water resources accounted only 11%

Over 9,087 billion m3 per year global water footprint. 74% of water used for agricultural production, 15% required to dilute pollutants released in production processes.

2.7 billion people around the world live in catchments that experience severe water scarcity for at least one month a year.
source: Living Planet Report 2012 (WWF)

Living Planet

74% Atlantic cod has declined over the past 50 years. Ocean acidity has increased by 30% since the industrial revolution.

Northern bluefin tuna, Western Atlantic Ocean. Unsustainable levels of fishing have caused a catastrophic decline in this population since the 1970s. In 2003 32% of stocks had collapsed. 39% were overfished. The remaining 29% were at the limit of sustainability.
source: Living Planet Report 2012 (WWF), www.plyfish.com

Glacier -12m.

Is the mean cumulative mass loss of glaciers from 1980-2008 reporting mass balance to the World Glacier Monitoring Service.
source: http://en.wikipedia.org/wiki/Glacier_mass_balance

Bees
Global bee population decline is linked to man-made insecticides. Yet mankind's food security quite literally counts on there being enough bees to pollinate our crops. As Albert Einstein once astutely commented: "If the bee disappeared off the face of the earth, man would only have four years left to live."

crime

6.9 persons per 100,000 inhabitants is the year 2010 worldwide rate of international homicide.
source: The UNODC

Forest

Asia and Africa together account for **75%** of global use of wood fuel. Million of tonnes of charcoal production leading to net deforestation and degradation.
source: Living Planet Report 2012 (WWF)

1/2 Urbanization

of the world's population would live in urban areas at the end of 2008. By 2050 it is predicted that 64.1% and 85.9% of the developing and developed world respectively will be urbanized.
source: The United Nations

Conflicts & Wars

4 times deaths from organized internal conflict rising fourfold from 37.3 thousands in 2007 to 178.3 thousands in 2012. Number of intrastate conflicts, however, rose from 8, peaking at 49 in 1992, dropped back down to 25 in 2003, and on a general rise since.
source: www.hugoboss.org

Oil Reserves

41 years is time left with oil, if we continue at the current rate of consumption and the current reserves of crude oil.

Corruption

70% of countries with Corruption Perceptions Index (CPI) 2012 score is less than 50 out of 100. The CPI rank 176 countries on scale from 0 (highly to 100 (very clean). Note: an increase in GDP growth of 1.7% for every one increase in a country's CPI score.
source: Transparency International

CO2

Carbon Footprint 9.1 billion tonnes of carbon: 2010 CO2 emission had risen to highest level in history.
source: Living Planet Report 2012 (WWF)

Hunger / Starvation

2billion people live in poverty, while a recent survey reveals British female invest 62 pounds of clothing each year.
source: www.huffingtonpost.com

2billion people live in poverty, more than the population of the entire planet less than 100 years ago.
source: www.worldpopulationbalance.org

Pollutants

400 million metric tonnes of hazardous wastes are generated each year.
source: Microsoft Encarta Online Encyclopedia 2009

Unemployment

6% of the world's workforce were without a job or more than 197 million people globally are out of work in 2012. The global unemployment rate is projected to remain at around 6% until at least 2017.
source: International Labour Organization

Population

over 140 people increase on the earth every minute. World population reached 7 billion in 2011. The population growth trend is more than exponential.
source: www.worldpopulationbalance.org

International Inequality

1% of adults owned **40%** of global asset in the year 2000, and that the richest 10% of adults accounted for 85% of the world total. (A study by the World Institute of Development Economics Research at United Nations University)

Greenhouse Gases

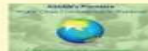
"It's no use arguing that atmospheric CO2 was way higher even before mankind arrived, the so-called 'don't blame humans' argument. The point is that mankind itself has never lived through it. Climbed at 394 ppm (part-per-million concentration) global monthly average in July 2013, atmospheric CO2 is now the highest it's ever been in the past 800,000 years. (By way of comparison, Homo Sapiens only reached anatomical modernity some 200,000 years ago.) Pre-industrial concentration was 280 ppm. Evidence for anthropogenic CO2 increase is incontrovertible."
source: <http://www.is91.noaa.gov>, http://en.wikipedia.org/wiki/Carbon_dioxide_in_Earth's_atmosphere

Equitable Earth ?

source: www.worldmapper.org [map 11, 31, 97, 99, 108, 322]



Infographics by Quantitative Models and Enterprise Analytics | Graphic Design Center, Siam Commercial Bank PLC, for 'The 2013 Bangkok Conference - Global Dialogue on Sustainable Development', 10th October, www.sdGlobalDialogue.com.



World's population in 2050



Where are the world's passenger cars?



Who export financial/insurance services?



Who get the royalties & license fees?



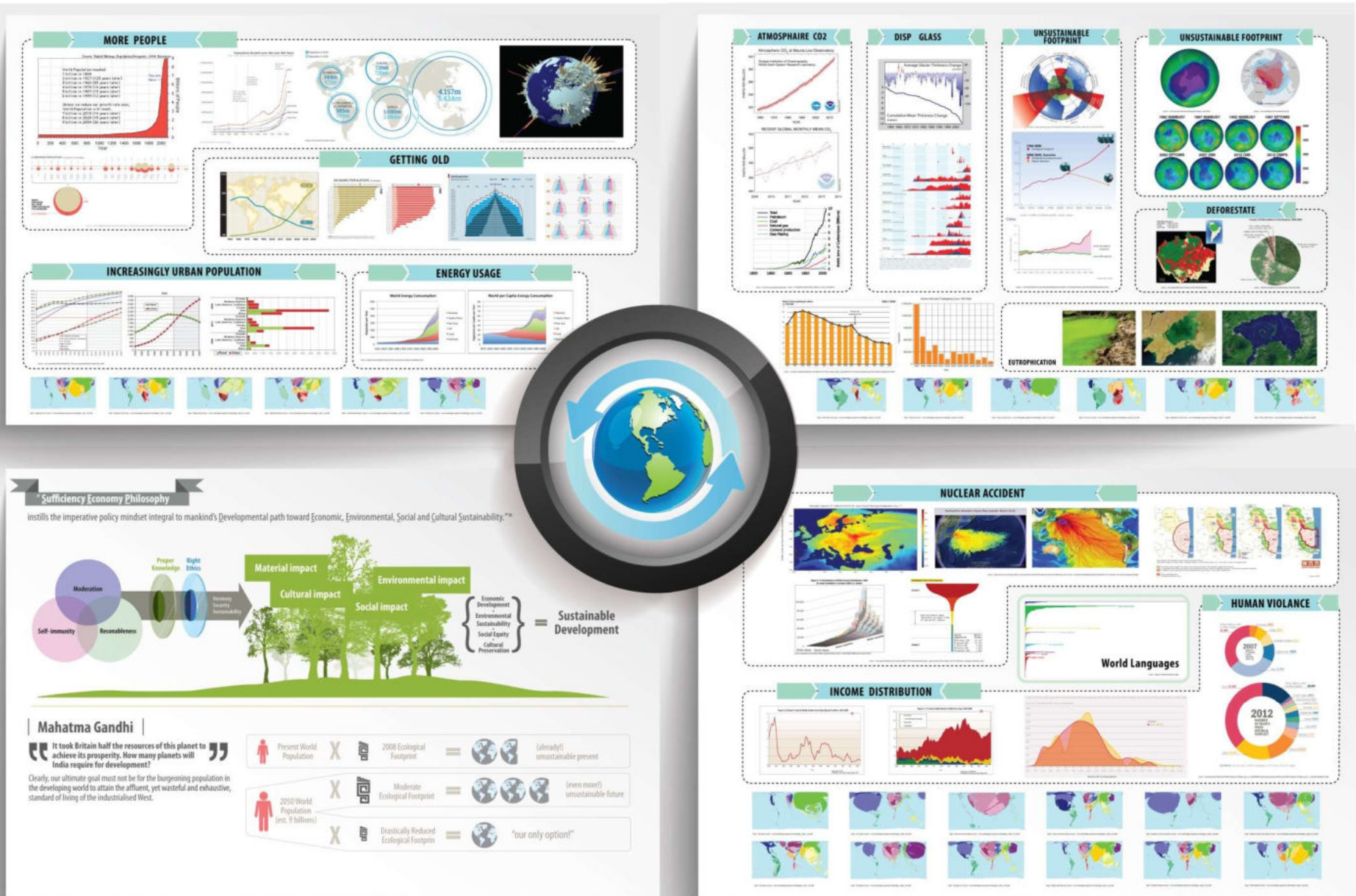
Whose forests are being lost?



Who leave the largest ecological footprints?



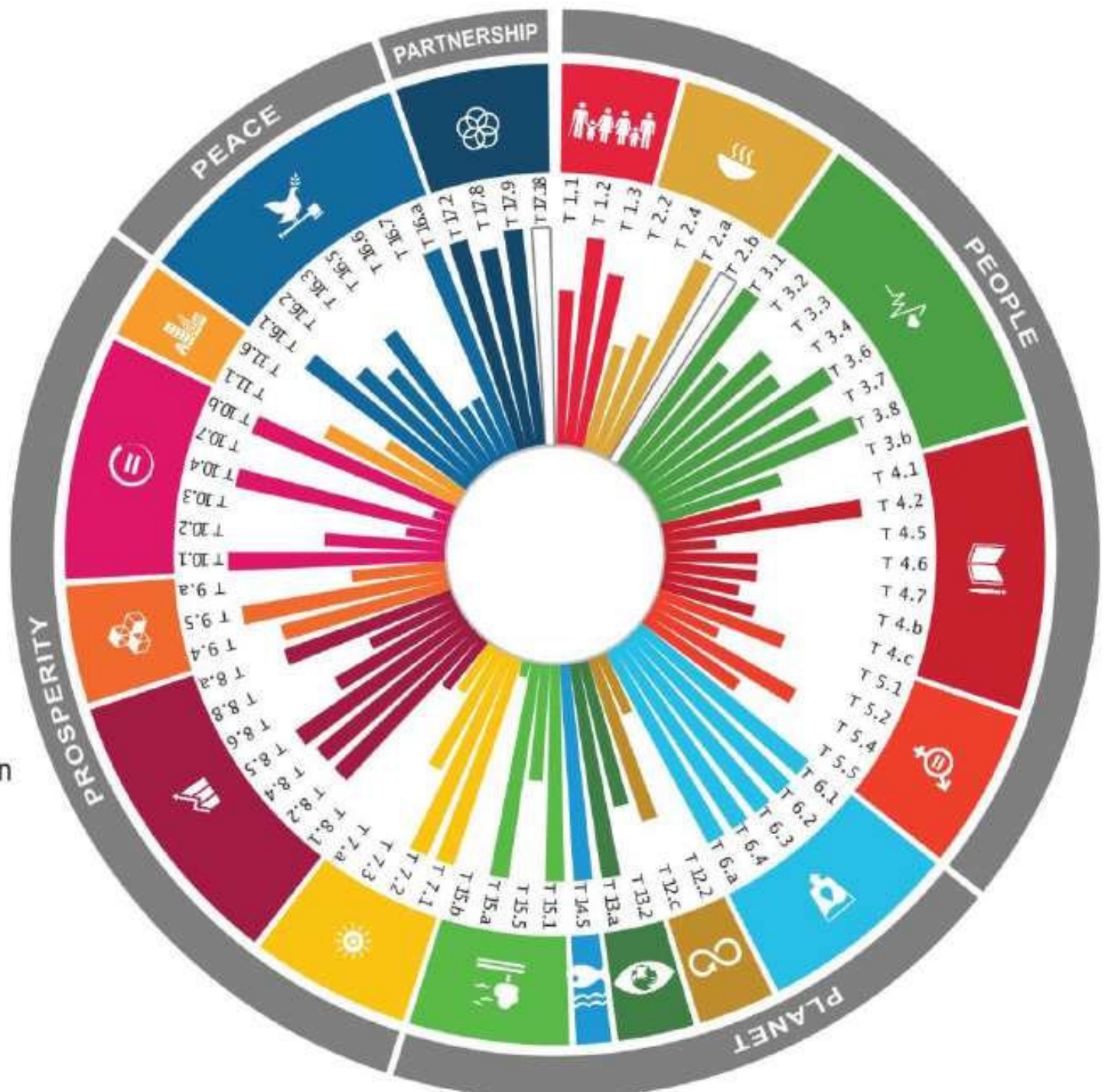
** Nacaskul, Podtjai (2013), "Sustainable Development - Calling for Policy Analytics and (Wittgensteinian Turn Towards) Economics of Moderation", <http://ssrn.com/author=363974>, www.sdGlobalDialogue.com.



Nacaskul, Poomjai (2013), "Sustainable Development – Calling for Policy Analytics and (Wittgensteinian Turn Towards) Economics of Moderation" ➦ 2013 Bangkok Conference – Global Dialogue on Sustainable Development, October, 10th, Bangkok, Thailand, [<http://papers.ssrn.com/abstract=2334765>] ➦

Goals

-  1: Poverty
-  2: Food
-  3: Health
-  4: Education
-  5: Women
-  6: Water
-  7: Energy
-  8: Economy
-  9: Infrastructure
-  10: Inequality
-  11: Cities
-  12: Sustainable Production
-  13: Climate
-  14: Oceans
-  15: Biodiversity
-  16: Institutions
-  17: Implementation



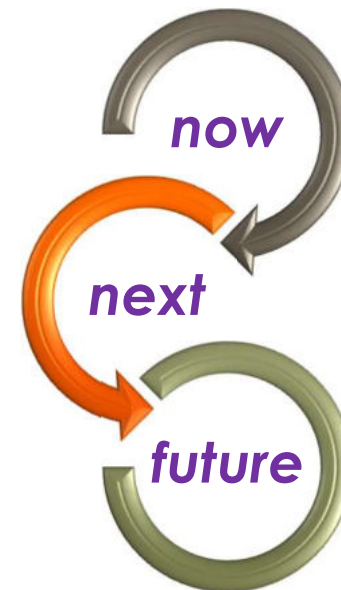
(4 Takes on) Interpreting “Sustainable Development”

- ◉ *Environmentally sustainable, Socially equitable & Culturally viable Economic development GOALS*
- ◉ *Economic development PROGRAMME which itself is sustainable, i.e. self-sustaining, taking into account all relevant *Environmental, Social & Cultural* factors*
- ◉ *Economics as the ART & SCIENCE of *Environmental sustainability, Social equity & Cultural integrity*, especially vis-à-vis *developmental* process*
- ◉ *developmental PARADIGM with an overriding insistence on sustainability, thus the pursuit of *Economic development, Environmental sustainability, Social equity & Cultural integrity**

Nacaskul, Poomjai (2013), “Sustainable Development – Calling for Policy Analytics and (Wittgensteinian Turn Towards) Economics of Moderation” ➦ 2013 Bangkok Conference – Global Dialogue on Sustainable Development, October, 10th, Bangkok, Thailand, [<http://papers.ssrn.com/abstract=2334765>] ➦

(Official Take) Interpreting “Sustainable Development”

- “development that meets the needs of the present without compromising the ability of future generations to meet their own needs”
– **Brundtland Report (1987)**



(Round 1) Rethinking “Development”

- 1st paradigm shift = *from* thinking of **development** as a natural process/pre-destination that every nation will eventually achieve at some stage *to* concluding that **development** has to be exogenously fostered (*whether due to natural resource scarcity/depletion, colonial exploitation, post-colonial-era political vacuum and instability, globalisation/global trade-induced dependency, i.e. whatever the phenomenological explanation*)
- Thus a compelling case, indeed global moral obligation, *for North-South* AID & ASSISTANCE Programmes, culminating in the *eight* Millennium Development Goals

(Round 2) Rethinking “Development”

- 2nd paradigm shift = *from* thinking of **development** as a deliberate, assisted, engineered process w/ controlled outcomes and predictable paces *to* reconciling divergent paths/paces/scales whilst anticipating the total planetary cost of **development** (*small increase in per capita consumption x very large population base*)
- Thus a compelling argument that achieving all *seventeen* **Sustainable Development Goals** calls for no less than wholesale change in **HUMANKIND'S MINDSET**—i.e. from **ECONOMICS OF EXPLOITATION** to **ECONOMICS OF MODERATION**—encapsulated *as* **Global GUIDANCE & GOVERNANCE Principles**

Thinking Big on “Development”

- “We will not enjoy security without development, we will not enjoy development without security, and we will not enjoy either without respect for human rights”
– **Kofi Annan (2005)**

