

A photograph showing a large group of people wading through floodwaters on a city street. The water is murky and reaches up to the people's thighs. Some people are carrying bags or items, and others are looking around. The scene is chaotic and depicts a significant environmental risk.

**A Learning Approach to Risk
Governance for Global Change:**

**The Role of Public-Private
Partnerships (PPPs)**

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DIALOGIK gGmbH and Stuttgart University

Part 1

**Problems of present
situation**

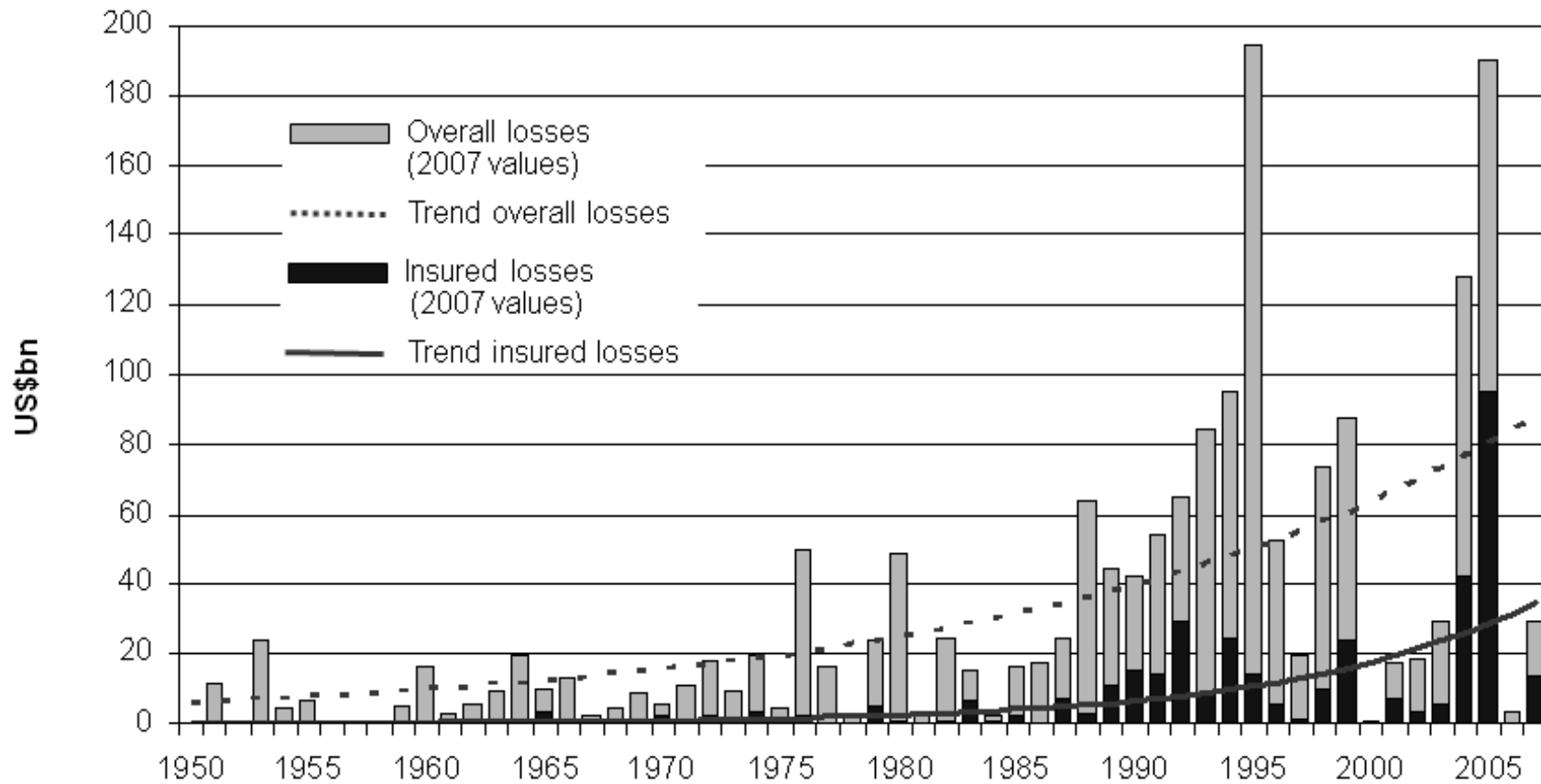
RECENT TRENDS (I/II)

- Increase of population density and urbanization
- Increase of catastrophic potential and decrease of individual risk (at least in OECD countries)
- Increase in uncertainty due to interconnectiveness and fast global changes
- Strong links between natural, technical, social and economic risks
- Increased uncertainty about natural hazard patterns and frequencies due to global change

RECENT TRENDS (II/II)

- Increase of vulnerability with respect to technological, social and natural risks
- Exponential increase in payments by insurance companies for compensating victims of natural catastrophes
- High potential for (symbolic) social amplification and attenuation
- Severe equity problems with respect to vulnerability between and among nations

Increase in global losses



Source: Kunreuther et al. 2008 (Data from Munich Re, 2008 Geo Risks Research – in U.S. \$ billion indexed to 2007)

Part II

Risk Governance:

**A new perspective
towards managing
global change**

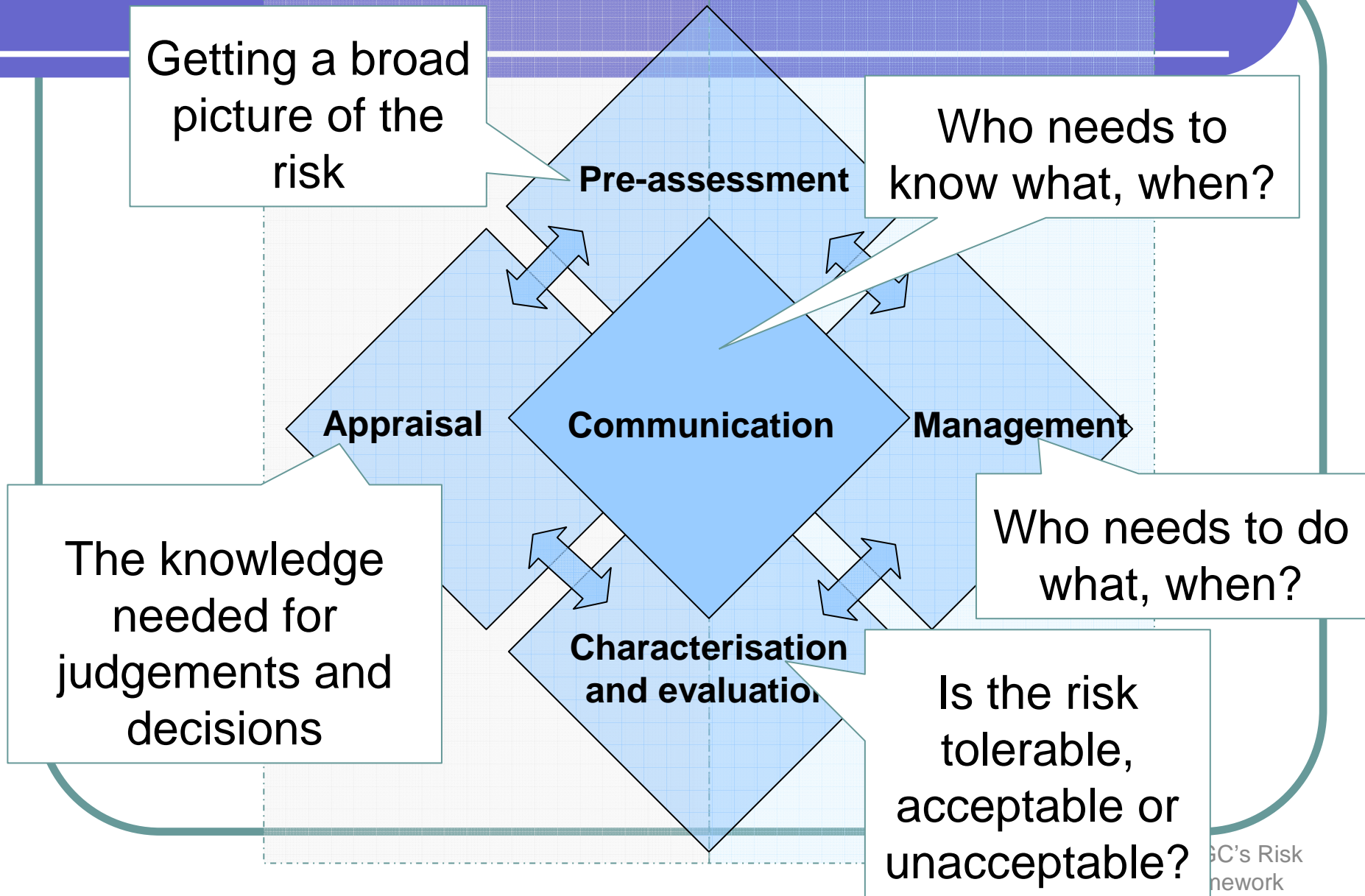
WHAT IS RISK GOVERNANCE?

- ***Governance*** refers to the actions, processes, laws, traditions and institutions by which authority is exercised and decisions are taken and implemented.
- ***Risk governance*** refers to the actions, processes, laws, traditions and institutions by which decisions about risk handling are prepared, taken and implemented

WHAT IS RISK GOVERNANCE?

- ***Best practice in risk governance*** integrates the principles of good governance within the processes of risk identification, assessment, management and communication and includes criteria such as effectiveness, accountability, efficiency, fairness and social and ethical acceptability

IRGC's RISK GOVERNANCE FRAMEWORK



Focal features of risk governance

- *Diversity of players*
 - *Government:* executive, legislative, judiciary
 - *Private:* corporations and economic associations
 - *Civil society:* NGOs, civil action groups
 - *Science:* expert communities
- *Governance Model*
 - Inclusive governance (all play a distinctive role in governing risks)

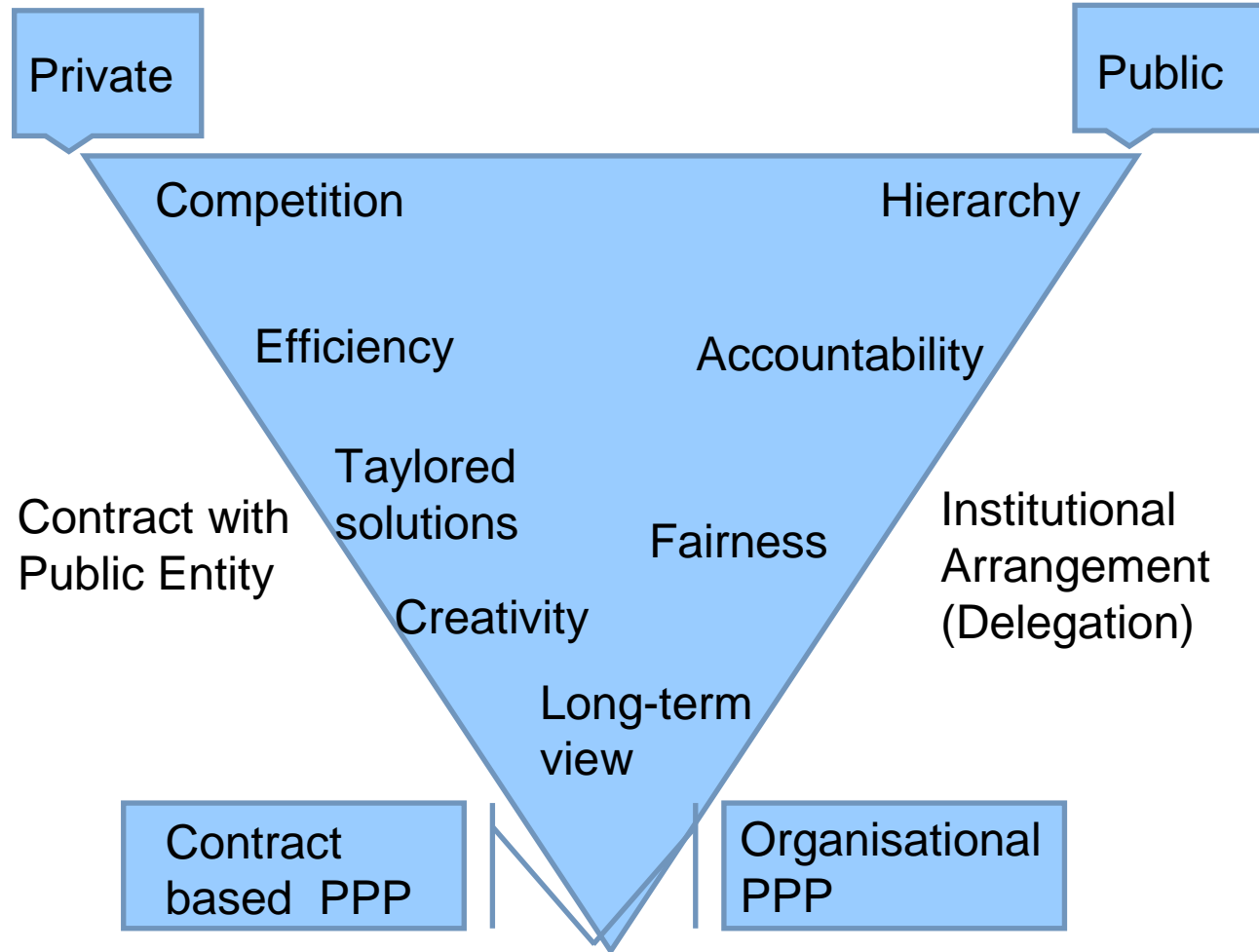
PART III

**Global learning: combining
public and private goods**

Two major reference points

- *Classic Model: separation in*
 - *Public:* responsibility of government
 - *Private:* responsibility of market players
- *Cooperative Model of PPPs*
 - Governmental institutions legally responsible for collective decision making in combination with
 - corporate actors taking part in collective decision making and/or implementation

Two models of PPPs

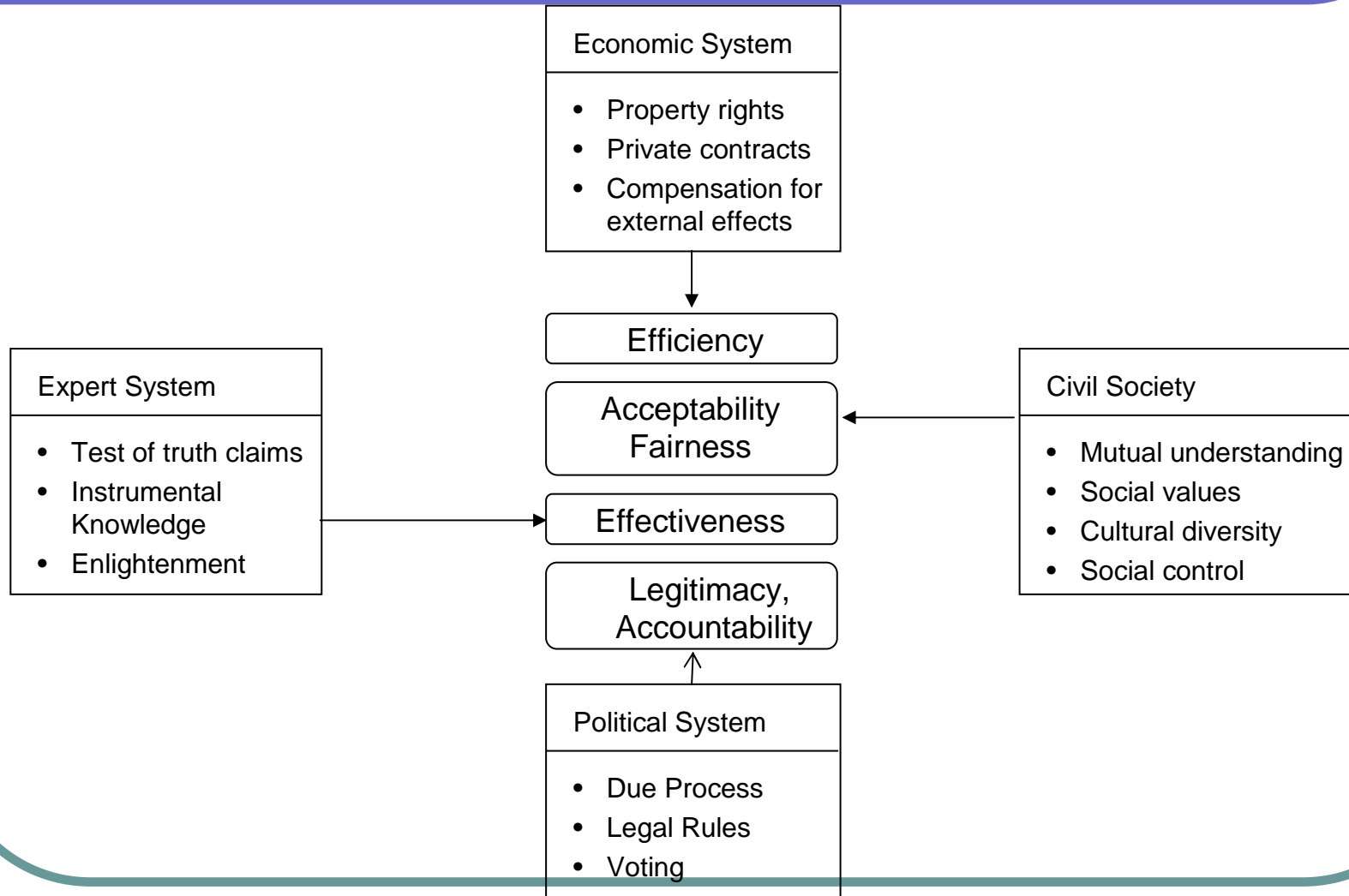


New concept of social capital

- *Integration in functional perspective*
 - Efficiency
 - Effectiveness
 - Legitimacy and Accountability
 - Acceptability (Fairness, public acceptance)
- *Enlargement to multi actor situation*
 - Government
 - Economic players
 - Civil society
 - Expert communities

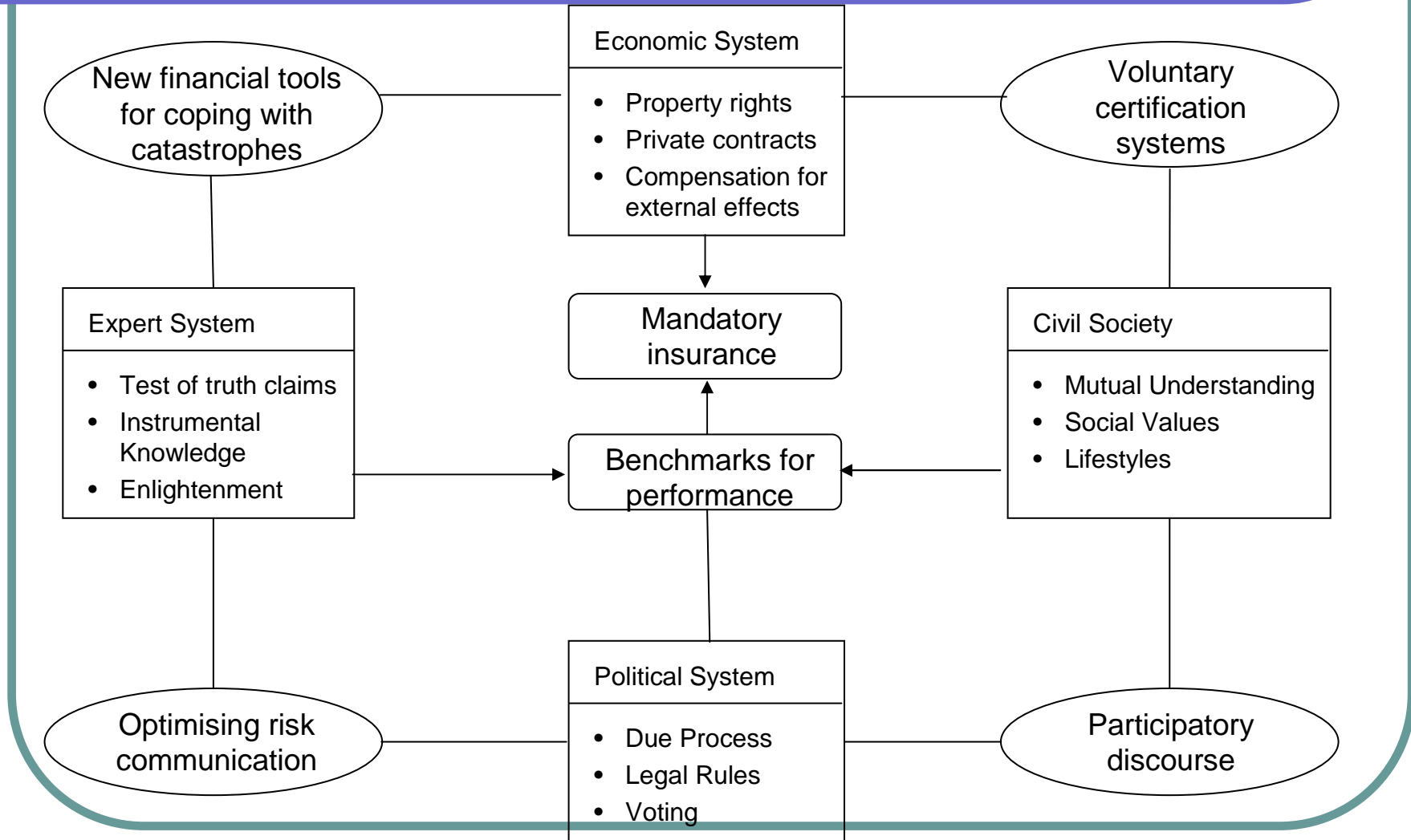
Four Systems of Society:

Internal Mechanisms, Social Functions and Synergisms



Examples of Learning Tools:

Synergies of cooperation between two functional systems



PART IV

Conclusions

Conclusions I

- Need for integrated models of PPPs including governments, industry, NGOs and expert communities
- Goal is inclusive governance model incorporating:
 - Effectiveness (mainly through expertise)
 - Efficiency (mainly through competitive business concepts)
 - Legitimacy (mainly through legitimate bodies and legal rules of government)
 - Acceptability (mainly through inclusion of social actors in society representing different interest, values and visions)
- PPPs are particularly important for providing learning environments that lead to cooperation between private and public authorities

Conclusions II

Public private partnerships are one of the most promising developments for initiating new learning experiences on the global scale. What is now needed are the courage and the ingenuity to build such alliances and make them work under real life-situations