

Strategic Risk ‘Domino’ – The New Global Curve

ARPI, the Australian Risk Policy Institute, Convenor of the Global Risk Policy Network, together with our affiliated European Risk Policy Institute, issue a warning to global leaders of a new dimension in global and sovereign risk – **Compound Vulnerability** – a domino effect of a new potential risk or vulnerability arising from an exposure created by an existing risk turned wicked problem.

The world needs to be aware of and monitor a new Curve – the **Exponential Vulnerability Curve**.

In addition to COVID-19 occurring at a time of global fragility and wrongly assumed resilience, nations and ‘political movements’ are seizing upon society’s vulnerabilities (exposures) and lack of willingness or capacity to withstand and respond to the exponential ‘domino’ effect.

The critical cycle is: Global vulnerabilities if unrecognised hence unprotected against, become Systemic Risks which are only soluble if managed formally and collaboratively by nations for ‘global good.’ But when management is fragmented, some will rapidly become Wicked Problems.

The world is facing a multiplex of accelerating strategic risks materialising, such as latent military aggression, pursuit of economic domination and supply chain dependency and disruption, with combined unco-ordinated global leadership. We see this manifested through real and artificial social unrest, violence, disinformation, incitement, division, disrespect and ineffective law and order.

Old solutions will not necessarily solve many of today’s major problems, some of which have never been seen before and have unthinkable and potentially irreversible consequences. As COVID-19 is addressed, clarity of unified leadership is required to see, drive and embrace a new global normalcy in a civilised world.

But the most pressing issue right now is global stability, countering extreme political forces in whatever guise they appear. ARPI calls for the establishment of a unified Global Cabinet to recognise and acknowledge what is happening and envision, create and lead the world through current crises. New global thinking, new approaches and new solutions are urgently required.

Leaders from ARPI, our partner The Brenva Institute and our affiliate the European Risk Policy Institute, have given a commission to our newly formed Centre for Advanced Risk Policy Studies (CARPS) to assist by developing innovative approaches for greater global resilience hence sustainability.

14 June 2020



Centre for Advanced Risk Policy Studies



The Brenva Institute