

A call for Sustainable Economic Triage

What we decide now will shape our future and our destiny

Or how the COVID19 outbreak may soon force us to make choices of what kind of society and economy we want. As we cannot help all companies and all sectors.

The brutal choice of who lives and who dies

With the current COVID19 outbreak for many hospitals around the world it is already almost common practice. Individual doctors who stand to determine which coronavirus patients get prioritized for lifesaving care or who is not treated and send home to die. These decisions are often based on a mix of factors such as recovery outlook, age, pregnancy, family status, professional responsibilities and cognitive abilities. Due to a shortage of intensive care beds, medicines, ventilators and medical staff we cannot save them all. This practice is called Triage. It is a practice that was invented during times of war, when the number of wounded soldiers was high and came in peaks and the available care was limited. In split seconds, decisions of life and death had to be made. Based on hard, predetermined criteria. Imagine the horror if you had to make these decisions.

We all agree that all life is valuable. But crisis like these confront us with difficult and fundamental ethical questions about which life is even more important. We know we have

to make the choice, as not making triage decisions is even more deadly and devastating. Not choosing and trying to help everyone ultimately comes with an even greater cost for both the individuals as well for our economy and society as a whole.

In times of crisis, I believe this is the ultimate question: 'what is part of the future and therefore worth saving and what is part of the past?'

Not selecting will mean the total number of deaths will be higher due to a lack of care and on top of that we will lose an even larger number of the individuals who we need to save because they are important for the future of our society and the economy.

In times of crisis, I believe this is the ultimate question. When we do not have sufficient resources to save everybody, we have to answer the question 'what is part of the future and therefore worth saving and what is part of the past?'

The global COVID19 crisis is the trigger

It is all over the news that the COVID19 outbreak is creating havoc not only in our healthcare systems but in our global economies as well. At the time of writing this article (8 April 2020) there are 'only' 1.4 million formal cases of infected corona patients. We all know the real number is much higher, but we simply do not have the technology and capacity to test everybody. The formal total death from the Corona virus is sadly at 83.000.

The economic damage is even more extreme. Rightfully so, Nations everywhere are in lockdown forcing the people to stay at home. More than a hundred countries have travel restrictions and they have closed their borders. And everywhere businesses and schools are closed. The consequences are severe. The UN predicts that in the second quarter of 2020 alone we will lose 7% of the global work force which is

equivalent to 195 million full time jobs¹ bringing unemployment levels to records highs. Worldwide more than 500 million children are missing school and in many cases their daily vital school meals². All major indexes on all stock markets have plummeted with 35-40% wiping out profits for investment funds and the critical reserves of pension funds. On top of that there is real fear that the this economic crises will lead to a Euro crises as the COVID19 outbreak will test the absolute limits of the EU member state's solidarity and what they are willing to do to support each other in these dark times.

These are just the big numbers. What these numbers do not show is the untold drama that is unfolding in the lives of billions of ordinary people all over the world. People who lose their business or their jobs. People who are losing their life savings and their livelihoods. Families that are separated or no longer have food on the table or have shelter. This is the real tragedy of the COVID19 crisis.

Governments economic life support

Governments and central banks all over the world are reacting and are trying to keep their economies afloat. The G20 governments for example have swiftly approved support programs to inject a total of 5 Trillion dollar (a trillion dollar is 1000 x a Billion) into the economies³. This astounding number is only part of the global support packages as it does not include the numerous support programs from all of the none G20 countries. Moreover there are the additional support programs from the World Bank, the IMF and the Central banks. The heart of the world economy has come to a standstill and the only thing that keeps the patient alive is the cash life

support system from Governments, Multilaterals and Central banks who are using tax payers money and even more debts to keep their economies afloat and keep as many people as possible on the payroll

I applaud these swift efforts from governments. Their actions do save jobs and businesses and prevent more victims, for the time being. But how long can we keep this up? Unless the COVID19 crisis is resolved quickly and we can all get back to business as usual, the resources of the Governments, the Multilaterals and the Central Banks will run out of money quickly. There are not enough resources to save everybody. We may soon have to make economic triage decisions. And the decisions we make today will determine our future and ultimately our destiny. For this we better have a vision about what kind of future we want to create and which criteria we wish to use to make this selection. Just like at the hospitals right now, not selecting will come at an even greater cost to all the companies who need support and for our society and economy as a whole.

What future economy do we want?

If we think fighting the COVID19 outbreak is the biggest crisis since World War 2, we are in for a surprise. The real challenge of our life time is to bring our societies and economies within planetary boundaries while we cater for the needs of ten billion people. How can we increase our energy production in the coming decades while reducing fossil fuel consumption? How can we change from a linear economy to a circular economy? How can we increase



¹ [https://www.ft.com/content/Loss of working hours to equal 195m full-time jobs, UN agency warns](https://www.ft.com/content/Loss%20of%20working%20hours%20to%20equal%20195m%20full-time%20jobs%2C%20UN%20agency%20warns)

² <https://www.aljazeera.com/news/2020/03/billion-students-school-coronavirus-outbreak-200316062426873.html>

³ <https://economictimes.indiatimes.com/news/international/business/g20-leaders-pledge-usd-5-trillion-united-response-to-coronavirus-crisis>

economic development while we preserve and restore our levels of biodiversity? How do we regenerate our degraded soils and regrow our lost forests? How do we make International value chains more sustainable, inclusive and fair? How do we deal with poverty, exclusion and inequality? None of these challenges are new. In fact they have been predicted for over 20 years now. And all of these challenges are far, far more deadly, more devastating and more disruptive for our societies and economies for generations to come than the current COVID19 outbreak. Yet, so far we haven't seen massive G20 action and support programs. Why not?

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The difference between the COVID19 crisis and these sustainability challenges comes down to three things:

1. The time in which we feel the impact
2. Who gets hurt first
3. The complexity of solving it

The effects of the COVID19 outbreak we feel immediately, they potentially affect our own safety and believe it or not, taking action is relatively simple (although not easy), we just need to stay at home. The effects of the sustainability challenges come slower, are first felt by others far away and solving them requires a massive overhaul of our whole economy. However, we all know that once climate change is irreversible and when biodiversity has disappeared we are faced with a situations that will dwarf the COVID19 crisis to a simple exercise in crisis management. Our unsustainable economies are the real crisis. And if we do not change direction now, we will end up where we are heading.

All of the big sustainability challenges are far, far more deadly, more devastating and more disruptive for our societies and economies for generations to come than the current COVID19 outbreak

We cannot undo climate change once it has happened. We cannot depollute our oceans, soils

and food chains after it is too late. The only way to deal with these sustainability crises is to prevent them from happening. This means we will have to have the foresight to make some fundamental choices now on how we run our economies and there will hardly be any countries, sectors and organizations that will not have to deal with the consequences of these fundamental changes. Whether we like it or not the next decade will be the decade of Transforming the Finance sector, Transforming the Energy sector, Transforming the Food and Agri sector, Transforming the Mining sector, Transforming the Textiles and Garment sector, Transforming the Construction and Infrastructure sector, Transforming the Logistics sector, Transforming the Tourism sector. And with this we need to rethink the role of business, finance, governments and civil society.

The opportunity for economic triage

To enable these transitions we are faced with tough and unpopular decisions about who has is part of the future economy and who is not. Decisions that go against current interests, power structures and will face fierce resistance. Decisions that have been postponed and delayed up till now, simply because we think we still can delay them or that somebody else needs to make the tough decision first. But the COVID19 crisis may offer us the perfect opportunity to make the right choices now. In crisis we cannot afford the luxury of time, debating, compromising, aligning of current interests, delaying and kicking the can. We have to act now. With the support programs that are being put in place, now is the time to choose what to save and support and what not. What sectors and companies will be called

'system critical'. What sectors will thrive and which one will struggle. Will we support big business or small and medium size enterprises? Will we save innovative startup businesses or will we go for the established ones? Will we protect exploiting and polluting companies or will we choose for clean and fair companies? Will it be fossil fuel or renewable? Will it be extracting or circular? Every million euro spend to save an airline or an oil company, is one million euro not spend on renewable energy, technological startups and circular concepts. We can't save them all and not choosing will come at an even bigger cost.

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That is why I call for developing clear criteria that will enable **sustainable economic triage decisions**. One that will accelerate the transition to a the future we want and need.

Here is a five step approach we can follow:

- 1- Create a future vision of the society and economy we want to achieve based on clear sustainability principles. This is an idea of where you want to go to eventually.
- 2- Back cast from that vision to now and create development roadmaps. This helps us think how do we get there.
- 3- Develop a clear set of criteria of sectors, technologies, organizations and enabling conditions that are system critical to reach that end state and that are adaptable.

- 4- Develop clear economic triage criteria and programs to support and help transform those adaptable system critical organizations. They are part of the future.
- 5- Manage the decline of the old, non-sustainable non adaptable companies and sectors in a controlled manner. They are part of the past.

We are in crises. More than ever do governments have the mandate to act and determine where we are going as a society and with our economy. We need you NOW to lead and come with a bold vision forward and act. Tough decisions are part of that necessary leadership.

This way we are not only fighting the COVID19 crisis now, but we are preventing or at least preparing for the biggest crisis of all that is still to come.



About Lucas Simons:
*Lucas has been involved in business and sustainable leadership for more than 20 years. He is a leading and award winning business and sustainability advisor for the fortune 500 companies, World Bank, Governments and leading NGOs. He is the founder of **NewForesight** and **SCOPEinsight** and former director of UtzCertified. He is recognized by the World Economic Forum as Global Leader, Ashoka Fellow and by the Clinton Global Initiative. Lucas is an International public speaker and author of **Changing the Food Game** (2014) and co-authored **Changing the Game** (2020). He is known for getting results in system change and sustainable market transformation at a global scale.*

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