A Risk Assessment Model for Humanitarian Prosperity

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A risk assessment model for humanitarian prosperity that focuses on the Sustainable Development Goals, governance and geography is a new technology and solution for development practice. Based on the Arbitrage Pricing Theory, this model includes SDGs as objectives and focuses on six actors for their achievement in any given territory. Further, by adapting the financial market's knowledge and expertise for development practice, return is measured as prosperity and is maximized based on the risk assessment model. The governance model to be used requires the joint effort of multiple actors following Michael Porter's and Michael Kramer's (2006) shared value concept and Rio's Pact (www.pactodorio.com.br) experience. The six actors identified are: the public and private sector, international organizations, academia, non-profit organizations and civil society. The integration of experiences and information allow for each actor to take advantage of their complementary and competitive advantages. Governance mechanisms can facilitate the execution of the integration and thus, increase the scale of local partnerships for sustainable development. As La Rocque and Shelton-Zumpano (2014*) concluded, this approach can increase the legitimacy of democratic representation particularly when participatory information technologies are used. The comparative advantage of the six actors works as a catalyst for development practice. Moreover, geographic information is crucial as each territory has different needs and must be catered for accordingly. High quality information brought from the collaboration of this governance model allows for a better comprehension of different territories and thus, the prioritization of different SDGs in each. Technology needs to be used to connect the six actors through information sharing and for example, participatory data collection, creating place based solutions. The result is a risk assessment model with 17 objectives (SDGs) and six actors that can be used in any given territory maximizing prosperity and creating a portfolio of territorial prosperity based on the chosen SDG for any given territory.