

Working Group on Systemic Risks and Governance

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Rationale

Understanding how to govern systemic risks is of key importance in a rapidly changing world. In a more and more interconnected world, risk is ever more becoming systemic, and requires concerted and urgent effort to reduce it in integrated and innovative ways. *Systemic* risk shows how impacts can spread within and across systems (within countries and across countries, even continents) via globalized movements of people, goods and capital and lead to potentially existential impacts and system-wide collapse.

Governance can be broadly defined as collective decision-making in society that involves not only governmental actors but also networked non-governmental actors and decision processes across multiple sectors and levels of society. There is also a proliferation of different types of modes of governance with multiple steering instruments. Consequently, climate and disaster risk governance refers to the system of institutions, mechanisms, policy and legal frameworks and other arrangements to guide, coordinate and oversee disaster and climate risk management and related areas of policy. Importantly, these multi-level governance arrangements ought to be transparent, inclusive, collective and efficient to reduce existing disaster risks and avoid creating new ones.

With the certainty of near-term non-linear global and local changes, the critical assumption of the relationship between past and future risk must be revisited. The regenerative potential of the social and natural systems envisaged in the aligned intergovernmental agendas will need to be better understood, and progress will need to be accelerated by incorporating systemic risk and systemic opportunity into the design of policies and investments across all scales. Similarly, the characteristics of systemic risks in different domains suggests that, as attempts are made to understand the effects of endogenous triggers and critical transitions, there will be more patterns apparent in different domains, which will allow the development of a consistent understanding of the fundamental characteristics of systemic risks.

Objectives

The objectives of the working group are:

- Bring together various communities working on systemic risk, adaptation and climate/disaster risk governance to foster dialogue between scientific approaches to increase understanding of how systemic risks emerge and how they can be governed.

- Conceptually develop new approaches to identify and address research gaps in the field with a focus on coupling those approaches with methodological advances.
- Reach out to stakeholders and create venues for dialogue to discuss how to develop new research initiatives and increase the uptake of research findings in policymaking.

Types of activities

The working group actively encourages new members to join in planning activities that include, for example:

- Webinars, joint workshops and conference sessions,
- Create opportunities for dialogue with stakeholders,
- Engagement with potential funders on systemic risk.

Ongoing activities

There are a number of ongoing initiatives, including:

- Webinars to be organised around the WG theme
- IIASA-ISC Covid-19 recovery pathways initiative: theme on (systemic) risk governance
- Western University, Canada - Building Climate Resilient Communities: Living Within the Earth's Carrying Capacity (SSHRC Knowledge Synthesis Grant)