



Goldman Sachs. Sustainability at its best

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Imagine living in a subdivision where you happen to be very successful in your business or profession and keep your property in pristine condition. Contrary to your good fortune, other neighborhood families are not basking in the same economic prosperity and security. Thus, their homes lack maintenance. Some have even been abandoned, becoming squats for drug dealers and other illegal menaces. Obviously, there is an undercurrent of political mishap but let's stick with the subject at hand.

Under such circumstances, depreciation of your property value is clear. Neighborhoods in Detroit are a perfect example. Substantial change must occur including neighborhood security, increased family incomes, property enhancements and a rise in demand for products and services. In the absence of same, the area will continue to decline and poverty will take over the area.

On a grand scale, this scenario depicts precisely what is happening in our neighboring countries. Poor people are desperate to feed their families and find jobs. Though I am resistant to dive into politics, high levels of corruption at the governmental level are undeniable as a major contributing factor. They destroy the daily hopes for better quality of life for the population in these countries.

Despair drives people to take desperate actions such as crossing their borders illegally into our country or by visa only to remain illegally after it has expired. Folks this is a blatant humanitarian issue staring in the face of the American people but at the same time, it is a matter of national security for the United States.

So why don't we apply reverse social engineering and promote social programs in our neighboring countries through the United Nations, The World Bank and the Inter American Developing Bank, based on the 10,000 Business Model Project from Goldman Sachs.

By creating programs to sustain small businesses, we are creating incentives for small companies to expand, hire employees and train labor. This generates income for workers who in turn will demand other goods and services within the economy. In other words, these newfound demands will induce other businesses spawning an organic circle of aggregate demand. We don't have to wait for governments to stimulate the economy and precious investment resources can be better allocated and diversified, thus lowering capital risk.

With our neighbors now doing so much better, the United States will benefit from demand for its products which will then contribute to incentivize our own economy. Improving the life of our neighbors can reduce the illegal immigration, promote better trade deals and build a potential trade block in America to compete with the rest of the world.

Luis E. Woolley