

Conference “Socially Responsible Investments and Value Creation”  
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« **What is the Social Value of Preventing a Fatality** »  
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**Abstract of the presentation:**

Increased safety is one of the firms’ social responsibility objective. It is also commonly used by rating agencies as an indicator of social responsible behavior. Under which conditions is an increase in safety consistent with CSR? How can one quantify the social value of an increase in safety? The answers depend on the extent to which firms’ safety decisions involve both a market failure and a regulatory failure. One can build on the economics concept of the value of a statistical life (VSL) to derive a social value of preventing a fatality. This value must be different depending on the nature of the risks, and on which population is affected by the safety change. Examples based on workplace and product safety, as well as on the prevention of industrial and environmental risks will be discussed.

(A part of my presentation will be based on my paper “The value of a statistical life under ambiguity aversion”)