"The formulation of the problem is often more essential than its solution"
Albert Einstein

How often do we ask the wrong question?

To illustrate, look no further than two major events this month. The first was the US government's swift intervention into Silicon Valley Bank's (SVB) collapse; the second was the Australian/US/UK governments' (AUKUS) announcement that Australia will become the seventh country to be enabled with nuclear-powered submarines.

Published estimates for the SVB bailout were US$200-300 billion and for the subs, A$268-368 billion. *"Why so much?"* experts asked.

The question that wasn't asked was:

"What is the cost of doing nothing?"

In the case of SVB, people holding deposits in banks not even based in the US, began enquiring about withdrawing funds. We were perhaps days away from a global financial contagion.

In the case of the subs, it is difficult to imagine what may be a less costly option. What would be the costs of a war on our doorstep, in terms of lives, destruction and financial impact?

"For the designers of AUKUS, the purpose of the pact is not to wage war, but to prevent one."
AFR, 15th March 2023

That is not to say than nuclear subs are the perfect answer or war-stopper, but they certainly do give pause to those flexing their military muscles.

Speaking of security, this month we consider how cybersecure we think we are in Australia and again, whether we are asking the right questions.

Previous Newsletters, including this one, are available on our site in pdf HERE

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Cybersecurity:	•	Australia – only 11% cybersecurity-ready
Renewables:	•	Renewable energy accelerating growth
Book:	•	The Art of Resilience

Australia – only 11% cybersecurity-ready
LINK

Cisco released its first-ever Cybersecurity Readiness Index this month.

11%	92%	70%	91%
Australian organizations have a 'Mature' level of readiness to tackle the cybersecurity risks of a hybrid world	Expect a cybersecurity incident to disrupt their business in the next 12-24 months	Had a cybersecurity incident in last 12 months	Organizations plan to increase cybersecurity budget by at least 10% over next 12 months

Source: Cisco. Double-blind survey of 6,700 cybersecurity leaders across 27 markets

Based on the overall score, organisations are categorised into one of four stages of readiness:

Mature (76+)	Achieved advanced stages of deployment and are most ready to address security risks
Progressive (45-75)	Considerable level of deployment and performing above average on cybersecurity readiness
Formative (11-44)	Some level of deployment but performing below average on cybersecurity readiness
Beginner (< 10)	At the initial stages of deployment of solutions

Four stages of cybersecurity readiness

A mere 11% of organisations in Australia have a 'Mature' level of readiness to tackle the cybersecurity risks of a hybrid world. No wonder 91% plan to increase cybersecurity budget by at least 10% over the next 12 months.

But before spending it, a question typically not asked by the technology industry is:

"What are the client's legal and regulatory obligations?"

This is probably one of the most important questions an organisation should ask as it will determine its level of risk, responsibility and liability in the case of a breach and/or attack. Actually, this is what the board and senior leaders really care about – not which cyber vendor, product or service they use.

There are not only government regulations and obligations (recently stepped up considerably after the Optus/Medibank incidents), but industry-specific ones too. For example, PCI[1] in financial services, HIPAA[2] and ISO 27001[3] in healthcare and SOCI[4] in the case of critical infrastructure for industries such as utilities and transport.

[1] ***Payment Card Data Security Standard*** *(PCI DSS) is a set of standards designed to protect data that is processed, transmitted and stored during manual or electronic card payment transactions.*
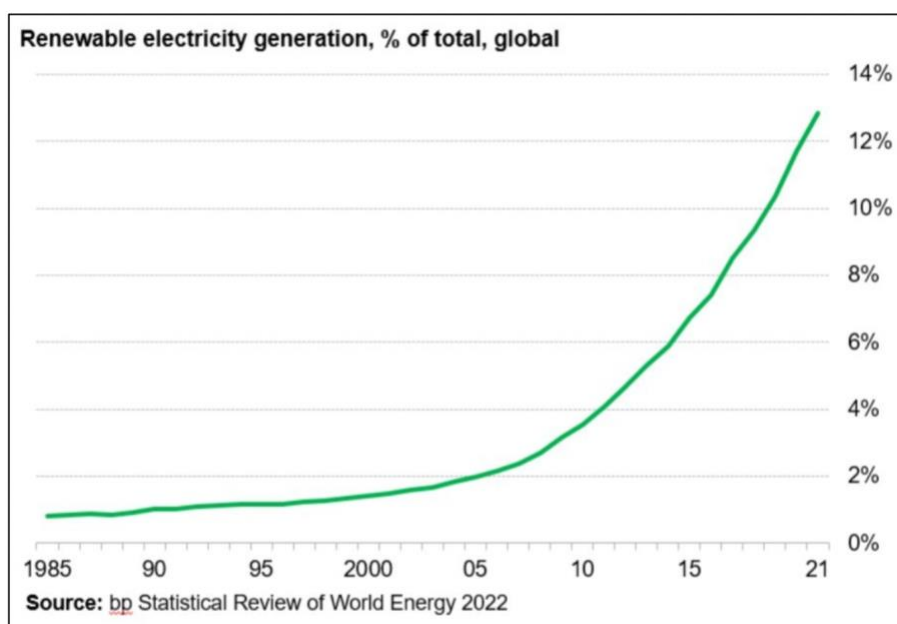[2] ***HIPAA*** *(Health Insurance Portability and Accountability Act)*
[3] ***ISO/IEC 27001*** *is the world's best-known standard for information security management systems (ISMS) and their requirements.*
[4] ***Security of Critical Infrastructure Act 2018*** *and the Security Legislation Amendment (Critical Infrastructure) Bill 2020 LINK*

Renewable energy accelerating growth
LINK

Amongst the deluge of bad to worrying news about climate change and humanity's lack of progress, here is some data that may surprise you and perhaps provide a spark of optimism. Renewable energy is experiencing an accelerating compound annual growth (CAGR) from 11.6% since 1990, 14.8% since 2000 and 15.3% since 2010.

Renewable electricity generation, % of total, global

Source: bp Statistical Review of World Energy 2022

Via Exponential View

Accelerating compound annual growth (CAGR) in renewable energy

Book: The Art of Resilience, Ross Edgley

Strategies for an unbreakable mind and body
LINK

"US Navy Seals believe when your mind is telling you that you're done, that you're exhausted, that you cannot possibly go any further, you're only actually 40 per cent done."

In Ross Edgley's second best-seller, he documents his epic 2,864-km swim (!) around Great Britain, which lasted 157 days and broke multiple world records.

Ross swam through giant jellyfish, arctic storms, 'haunted' whirlpools and polluted shipping lanes, going so hard, and so fast, his tongue fell apart.

An award-winning adventurer, Edgley has been studying the art of resilience for years. Now he focuses on mental strength, stoicism and the training needed to create an unbreakable body.

In The Art of Resilience, Edgley uses his swim experience and other amazing endurance feats, where he managed to overcome seemingly insurmountable pain, hardship and adversity, to study the performance of extreme athletes, military and
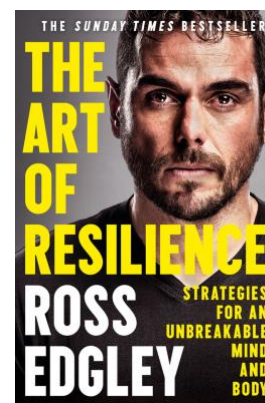
fitness specialists and psychologists. He uncovers the secrets of mental fitness and explores the concept of resilience, persistence, valour and a disciplined mindset in overcoming adversity.

Whatever you thought ultra-resilience is, this book raises the bar in terms of what we thought the human body and mind were capable of. It will give you a blueprint to become a tougher, more resilient and ultimately better human – whatever the challenge you face.

And when you are in pain during your next 2 km swim, think of Ross with another 2,862 km to go!

Stay connected.

Kevin