

Generation Impact

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Generation Impact: International Perspectives on Impact Accounting

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Foreword

There are days when I am very pleased to be a part of our global change community and sincerely honored to have played a role in working with others to advance our shared agenda. Over the past thirty years I've been involved in these efforts, we have seen major and substantive advancement on any number of fronts:

- Our general approach to understanding the potential role of business in pursuing not only profit but also positive impacts in our world has clearly evolved over the years.
- The amount of purpose-driven capital (by which I mean sustainable, responsible, ESG integration and impact investing) has grown from niche market to, depending upon which banner one carries, billions if not trillions of dollars now being invested across the globe.
- Mainstream business leaders from the CEOs of major financial institutions to transnational companies are moving to embrace the idea – long recognised by others – that ‘modern’ capitalism as practiced over past decades cannot be the economic system that will meet our great and diverse needs over decades to come.
- The role of entrepreneurs in creating not only market and technology innovations but also the advancement of a vision of sustainable markets and ‘tech for good’ has catalysed start-ups and enterprise creation in seemingly every country on Earth.
- The awareness and activism of broad segments of societies mobilising to address global climate change and the need for greater social and economic justice make for daily public headlines and personal inspiration for us all.

We are truly witnessing a coming together of broad segments of nations around the world, focussed upon advancing positive change and creative solutions to the problems confronting not only humanity but also the existence of every living being and ecosystem on this planet.

This and so much more gives one real hope for our future.

And yet, it is quite simply not enough.

There are long nights when I sit in darkness, watching the shadows of our wasted energies play out on the wall, reflecting on the day's emails and headlines and mulling over our challenges and frustrations. There are nights when I pause in effort to regroup and renew, only to realise none of our current actions will be adequate or enough or sufficient to address what awaits us in the course of coming days. There is just so much that will have to change and evolve or die:

- The mistaken notion we may do well and do good without modifying either our lifestyles or material and conscience lives.
- The idea that markets alone will create the solutions we seek.
- The belief those who have and control will continue to be able to hold and direct.
- The very idea that we can *know* – that we can simply innovate our way through all this – without a fundamental reframing of our core assumptions and understanding of what it means to live, to prosper and to be as opposed to become; what it means – regardless of who we are or where we may live – to spend our lives as truly responsible stewards of a planet and as fulfilled fiduciaries of the future.

In my more optimistic moments, I can see how we might break through the fog of the present to create the future we say we seek, but in a great many other moments, I'll confess to being less than positive and less than upbeat concerning our prospects. Despite those who would have us celebrate humanity's great progress and supposed advancements,ⁱ our Earth continues in decline, taking many of us (both human and non-human) with it. International bodies of our world's leading scientists tell us we have less than 15 years to redirect not simply our consumption but also our very economics and that global capitalism itself must be completely reconceived if we are to survive as a species. That is less than a generation. In so many ways one cannot help but conclude 'the horse is out of the barn' and, in all honesty, our ability to redirect our energies and practices ran away with it.

If we were to simply consider the elements of global financial capitalism that must be redefined and altered, that would be one thing and certainly enough of a challenge, but there is that together with our need to confront extremism of various sorts, to move beyond the easy panic of scarcity and fear which now seems to drive so much of our public discourse (if that is what it may now be called), to address gender, racial, class and so many other injustices in our world. Yes, we have certainly witnessed stunning and profound advances in technology and communication that hold such great promise for our future and at the same time have buried within them the seeds of our common demise. As Martin Luther King, Jr., said,

Our scientific power has outrun our spiritual power.

We have guided missiles and misguided men.ⁱⁱ

We may well create the needed tools to build a new world, but there is no guarantee we will know how to apply them to the just and sustainable ends we claim to seek. If we are to get to the other side of this boiling Rubicon and if we are to create the communities we must have, we need to alter not only how we think and are present in the face of these challengesⁱⁱⁱ but also revise our understanding of our task, our tools and our possibilities. We must act not simply to minimise our negative impacts or modify our questionable practices but to

redirect our energies entirely towards the advancement of sustained, deep and mutual impact. We must manage our capital, our organisations and our very selves for the attainment of a changed planet.

This volume represents some of our community's best and most current thinking, vision and experience with regard to impact management. Some names you will know, and others you will come to know, but in each case what follows are the words of those not simply reflecting on the nature of a changed world (as important as that is!) but reflecting on what must happen for us to get there.

Impact management is the 'how' – the vehicle – which will help us bring into reality our greater understanding of the 'why'. The themes explored in the following pages range from how we manage organisations to how we deploy capital, how we develop and then apply new policy and regulations and how we might use networks and organised communities to advance the global solutions we must now advance.

What follows are the thoughts and words of our colleagues and contemporaries who, together with you, are changing the prospects of our common future. However, these are not the final words. They are a stepping back, a reframing and a renewal of our community's understanding of what lies before us, both in prospects and possibility. I invite you to contemplate what follows and assess how you might best embrace what you view as the positive and negative of what these pages present you.

And I hope you will renew and advance your own good efforts to create the change you seek in the world for it is the only world we have. And through these writings, our colleagues welcome you to engage in this continued process of renewed creation.

Celebrate the Struggle!

Jed Emerson
Ustaaset, Norway

Note

- i. The Stephen Pinkers and Hans Rolling and any number of venture investors marketing the innovations in which they invest, the killer apps for poverty and business solutions, all somehow viewed as one and the same, as it were....
- ii. *The Wisdom of Sustainability: Buddhist Economics for the 21st Century*, Sulak Sivaraksa, Koa Books/Chiron Publications: North Carolina, 2016, 20.
- iii. This is the topic of my last book, *The Purpose of Capital: Elements of Impact, Financial Flows and Natural Being*, the free Ebook of which is available at www.purposeofcapital.org.

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We are also eternally grateful to the people we have close to us – you keep us sane, when at times we feel like we are trying to do something that is not for those with sanity. Onwards.