
Introduction
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To use this Teaching Guide, all you need is the e-book available on the website purposeofcapital.org and the Practice of Purpose Handbook, which provides excellent short summaries of each chapter, reading goals, key concepts, quotes, and additional discussion questions.

This guide was developed exclusively for you, the educator, and you can take all or some of the frameworks, questions, key teachable themes and other pedagogical offerings provided for each chapter. The guide is intended for classes, workshops, seminars, or other intentional gatherings of students (learners) of college age and above, and who have a basic understanding of the economic forces that shape their lives and the world around them. No technical knowledge in finance or economics is required. The more diverse the group, the better the discussions.

Each chapter guide is designed to be a discussion-led class (online or in person) between 100 to 120 minutes long with at least a 15-minute break. Student learners will need a journal or pen and paper for the hand writing exercises, and the capacity to verbally participate in discussion (learners with writing disabilities may use a tablet or a laptop). Depending on the type of course or workshop you are leading, the pre-work for every chapter will vary. For a traditional MBA-style course, students should read the chapter one week in advance of the class session and respond to the pre-work question or reflection, either in writing to the whole group or as an assignment to be turned in to you.

Lastly, this guide is an ever-evolving teaching tool, so you should take or leave as much of the content as you need and, of course, add your own content to align with your course objectives, and to meet your unique student population where they are on their journey. We would be delighted to know what adaptations you made and what reactions you might have after using these resources. Please get in touch with us!

How best to use this teaching guide
1. Review the Learning Outcomes Tab and add learning outcomes you think are needed based on your learning population.
2. Begin with Chapter 1 and experiment with how long the session took, and adjust future chapter sessions accordingly.
3. Stay open to changes in the direction or flow of topics. Let student inputs and questions shape the discussion.
4. Take the necessary time and attention to create a radically inclusive, deeply respectful, and humanly nurturing space for learning and discovery. Use "YES-AND" responses for debate.

Comments or questions?
If you have any comments or questions on any of the content or how to use the pedagogical suggestions in terms of flow or framing for discussion and debate, please don’t hesitate to contact me directly: Dr. Sara Minard, cslminard@gmail.com

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### A. SUGGESTED LEARNING OUTCOMES AND SKILL AREAS FOR CURRICULUM ALIGNMENT

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### B. DESCRIPTIONS OF ELEMENTS IN THE TEACHING GUIDE, CHAPTER BY CHAPTER

| Key Themes/Take-Aways                  | Prepare the learner for the topic, and make connections to larger fields of study |
| Fighting Issue                         | A controversial idea that could easily be rejected unless it is looked at critically |
| Challenge                              | An idea or concept that is difficult and requires some unpacking |
| Discussion/Questions                   | Engaging the leaners as a group in discussion to unleash the power of inquiry |
| Debate                                 | There are two or more sides of an issue that can be debated in small groups or large group |
| Role Play/Example                      | Assign learners a role to play for perspective-taking, OR provide real-life example |
| Writing Exercise/Reflection            | Time for individual writing (free writing for 5 minutes) or to sit in reflection for 2-3 minutes, drawing and walking silently are also welcome |
| Concluding Remarks                     | The facilitator's opportunity to synthesize the main argument and areas for learning |

### C. POSSIBLE CLASS / WORKSHOP / TRAINING FORMATS AND AUDIENCES

- 2-3 hour sessions: Chapters 1, 2 and 11, 12: ALL AUDIENCES
- Four 2-hour sessions: Chapters 1-2, 5, 7, 10-12: Community Groups
- Ten 2.5-hour sessions: All Chapters: College and Non-Traditional Students (18-50+)
- Two 4-hour sessions: Select Chapters: Families/Foundations/Small Investor Groups
Purpose of Capital Teaching Guide & Notes (Outline Format) (AKA "A Guide for the Perplexed")!

Learning Outcomes: See Handbook for learning outcomes per chapter

Pre-work for Chapter 1 - Watch the "What If?" Film and bring in your definition of "the good life" as it relates to money/assets

TIME: 100 Min/15 Min break

Chapter One

NOTE STUDENT DEV: Personal Inquiry: journey of true self; continually molting

KEY THEME: Where we came from (how we got here)
  - Concept of capital as social construct
  - Financial capitalism vs. questioning the purpose of capital -- more than monetizing economic opportunity
  - Process of becoming an impact investor is iterative, evolving, developmental--necessitates change, implies transformation

DISCUSSION QUESTIONS:

What does it mean to say: each of us IS the market?(p. 3)
Who isn't the market? Why? What is a market, anyway, and who gets to define how it works?
How do we create greater space to hear from those whose lives we seek to impact?
  - Fewer experts, more questions; from simplicity, complexity (vs. looking for complex solutions)
  - Why does REAL LISTENING require that makes it hard to do -- change our worldviews, hold us to account, deep empathy

How does one re-engage with simplicity in impact investing?
  - [NOTE: May need to spend some time explaining how and why things got so complex in finance]
  - Simplicity and clarity around the purpose of capital begins: vision of value that embraces tangible, material, nontangible, extra-material value (and values).
  - Design an integrated strategy and execute an approach through a vision of blended value
  - Systems approach: 1) build a foundation for change and affirm readiness to engage in a change process,
  - 2) clarify various levels of what the current reality is and one's responsibility for creating that reality
  - 3) explicitly choose to engage in the change process,
  - 4) bridge the gap between what is and what could be by focusing on high leverage interventions, reaching out to additional actors and learning from ongoing experience. (p.9)
FIGHTING ISSUE: What are our choices? Who has agency to change things?
Critique of mainstream practices of modern business and financial capitalism implies rejecting the communiyy of which we seek to become a part, to stand alone in the journey as an ever-evolving, ever-changing actor.
Hanging up the tools at the end of the day vs. continually striving for personal evolution and development by embracing new ideas, applying them, and then abandoning them in favor of some greater insight or perspective gained from having stood in that place.

CHALLENGE: We need to find better questions...how do we harness the power of inquiry ("How Might We" Questions)

KEY THEME: The quest for coherence in our ideas, actions in work, and actions in life (when no one is looking) is always unfinished as we live and breath in a financial capitalist system that has shaped and legitimized an incoherent life (p.10).
What are the profound questions of personal meaning and purpose related to the real impacts of our investment practices?

(SHORT BREAK)
DEBATE: Audre Lorde and the Impact Paradox: using the very (Master's) tools that have failed to create a just, equitable, sustainable world --> VERSUS transfering power of money to the objects of our influence. Can the Master's tool EVER take down the Master's house?
Who are the Masters?

DISCUSSION: What can confusing intent with impact look like? Share a personal story.
1. What is the process by which we will rise above our limited vision of finance while at the same time draw upon its utility to help build the world we seek?
2. What must we do to operate as effective socio-financial engineers in our world and life while remaining grounded in the broader vision of what we long to create?
3. And what is the path to our remaining a part of, without becoming a slave to, the capital flows and related structures that we are embedded in?

CHALLENGE: What would be a more contemplative and informed (perspective) understanding of the questions. Reframe them.
What is your understanding of this line in the Durant quote (p. 22) "Sometimes we feel that the Middle Ages and the Renaissance, which stressed mythology and art rather than science and power, may have been wiser than we, who repeatedly enlarge our instrumentalities without improving our purposes."

Think about where you might instrumentalize things you value or believe (ideas, things, people)?
See Quote Ch. 3: "we should perhaps focus less upon the emerging laws of impact investing than upon our goal of optimizing the total,
blended value potential of our lives and capital resources, broadly considered." (P. 24)

**KEY TAKE-AWAY:** *In the absence of this deeper grounding in purpose, meaning, and intent, we will grow impact investing by leaps, bounds while standing at risk of reflecting the sentiments of this recently seen bumper sticker: I’m lost, but boy am I making great time!* (p. 23)

**WRITING EXERCISE:** *What is your purpose, what are your intentions (for capital) and what are your value commitments? What are the big questions that you care about?* (building off of Sandel, p. 26)

**CONCLUDING REMARKS:** Impact investing - as a counterweight to investing - is an exploration of the Other.

*Reflecting on your purpose, intentions, values and commitments, which definition resonates with you most?*

Define impact investing-- an exploration of the purpose of capital
- it is the tip of the fiscal spear in surfacing, defining and challenging 17th century concepts within which our 20th century understanding of financial capitalism and its most pernicious practices are rooted.
- it is the foundation for the emergence of new 21st Century forms of economics and capitalism that shape-shift form under regenerative, stakeholder, fiduciary, blended finance and other banners but which are all part of the same parade of humanity and history.
- it is mindful money that integrates the power of presence with considered intentionality within capital flows in the world.
- it places resources within new structures, pumping life-affirming blood into new organizations and corporate forms.
- It is about pursuing an array of related strategies that promise to optimize *total* performance of financial returns with the generation of social and environmental impacts.
- It is integrated impact, not disconnected from life, but life promoting, life affirming and life creating capital.

**UP NEXT...** *(Chapter 2) Understanding the underlying frameworks for Impact Investing*

*Pre-work for Ch. 2 -  Define "Mutual Impact" and how it is used as an alternative economic framework*
Purpose of Capital Teaching Guide & Notes (Outline Format)  (AKA "A Guide for the Perplexed"!)

Learning Outcomes:  *See Handbook for learning outcomes per chapter*

*Pre-work for Chapter 2 - What do you think Mutual Impact means? What status quo ideas might the word "mutual" challenge?*

**TIME:** 100 Min/15 Min break

**Chapter Two**  *NOTE STUDENT DEV: Personal Inquiry: journey to the place where individual and group intersect*

**KEY THEME:** Why capital is not neutral (different types of impacts on people and planet)

- Why is there an inherent "higher use" for capital than private capital accumulation?
- What does it mean to say "all [financial] capital has an impact"?

Early adopters of impact investing -- who were they? Why was drawing "as direct a line as possible between their investments and the generation of street level, meaningful, intentional impact" (p.38) something unusual?

**DEBATE:** In what way does IMPACT - as you understand it - imply CHANGE? If so, WHAT or WHO is changing?
- How does the Self/Other duality affect where we see the locus of change?
- Where do YOU think the locus of change should be when we use the term "impact"?
- What experiences inform your perspective?

**DISCUSSION QUESTIONS**

- Where is the locus of change when the evidence is "job creation, tax payment, and a broad sense of social value"?
- Where is the locus of change in the phrase "what is good for GM is good for America" (p. 38) mindset?
- What does it mean to say "the goal seemed incidental to the management and deployment of their investments." (p. 38)
- If in this moment "we are all connected...in the simplest of ways as members of humanity, of community or society and our families" then why isn't "what is good for GM, good for America?" -- what would a company have to act like for this statement to be true?

**WRITING EXERCISE:** How would you know (or, what would you need to know) if any of your actions were actually leading to a new path or experience that, in turn, will add light to the world? (for this person, group, place, etc.)

> notice what words come up in these writings: hope, proof, validity, money/wealth, opportunity/capability

**(SHORT BREAK)**

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Total Portfolio Management - assumes the investment is seeking both the appropriate amount of financial return within any given asset class as well as to optimize the nature and form of impact each type of investment might generate.

**KEY THEMES**: Community level, Population level, Environment level -- the 10,000 foot level -- the "do well and do good" level -- 50,000 ft. In between level -- 30,000 foot level -- has three types: Broad, Deep and Mutual.

**Broad**→ Does not require deep personal relationship with beneficiaries. Impact investing efforts in the public markets = broad impact, or incidental benefits generated by businesses without specific intent; EX: supporting vaccinations for vulnerable populations.

**Deep**→ Does not require deep personal relationship with the beneficiaries but does focus on issues of distribution, representation, long-term care and support, seeks to "raise up, nurture and cultivate" value creation that benefits communities of interest.

**Mutual**→ Does require meaningful relationships with those who normally are viewed as "the other" and expects to see transformational change in everyone involved; recognizes the false dichotomy of Self/Other

**FIGHTING ISSUE**: Intentions vs. Impact. "We often act with no meaningful consciousness of the lives and realities lived by those we profess to care about, those about whose lives we claim to be committed ... More often we create a rationale for our actions to justify our lives and decisions made or not made. We tell ourselves it is all good in that even if our efforts fall short, we meant well and isn't that the point?" (p. 40)

**CONCLUDING REMARKS**: An exclusively economic understanding of capital and value falls short of what is needed to embed mutuality into impact.

**KEY TAKE-AWAY**: Ignorance is not a proxy for intention. Because we can't fully know what impact we will create, we must seek greater humility in our aspirations and claims. This does not mean having less ambitious goals for social change. Relationships take time to build, but are at the heart of Mutual Impact.

**UP NEXT...** (Chapter 3) Humanity and Self

Pre-work for Ch. 3 - Reflect on the history of ideas that have shaped behavior and economic systems. Asking "what do I believe in (have faith in) and why do I believe it?"

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Learning Outcomes:  
See Handbook for learning outcomes per chapter

Pre-work for Chapter 3 - Reflect on how your view of "the good life" affects your social position and what you choose to do.  
TIME: 100 Min/15 Min break

Chapter Three  
NOTE STUDENT DEV: Personal journey of individual/group/other/local/global

KEY THEME: History is not past, it is present; Moving from dualistic thinking to nondual consciousness requires seeing virtue and passion (flaws and gifts) as two sides of the same coin.  
How can we gain humility, perspective, and wisdom from an understanding of our place in human evolution, from economic history, and from art?

This "learning-from-history-to-understand-the-present" process has three layers:  
First, we must reacquaint ourselves with our economic, political and social histories—which in today's world seem too time-consuming or irrelevant.

Second, we must outline our own intellectual history—which, again, we tend to take for granted. We frequently assume we all share the same set of facts as well as comprehend what those facts mean, esp. in

Third, we must each have a level of self-reflection adequate to the task before us, that of defining the purpose of capital for ourselves, and how it impacts others. (from Karen Armstrong's work on history of religion and God)

1. The Paleolithic Period (20,000 to 8,000 BCE)  
2. The Neolithic Period (8,000 to 4,000 BCE)  
3. The Early Civilizations (4,000 to 800 BCE)  
4. The Axial Age (800 to 200 BCE)  
5. The Post-Axial Period (200 BCE to 1,500 CE)  
6. The Great Western Transformation (1,500 to 2,000 CE)

Key aspects: agriculture, trade, military might, urbanization, social status, role of legal institutions and the Church, others?  
scientific discovery, physical and social technologies (industrial revolution),

DEBATE: What aspect/time period in our shared human history were most influential in defining wealth as a surplus in material terms, something private, and separate from the natural world?

DISCUSSION:  
In what way could impact investing be considered a (social and physical) technology?  
What is the interplay between it being both social and physical technology, how do they need each other? (P. 56)  
How does Emerson connect understanding the historical context of the purpose of capital with the success of work in social and personal liberation?
KEY THEME:
Just as Martin Luther - who had faith, vision and purpose - knew that this alone would not (Protestant) reform the church without the institutional support of the legal establishment so too does the (Capitalist) reformation need more than just vision and purpose to change the established legal and economic infrastructure that sustains current thinking.
EXAMPLE: B Lab -- not just metrics but legal forms of business with new rules for what constitutes fiduciary responsibility

DISCUSSION: How did some economists come to defend the idea that social and environmental factors are not central to economics?
Descartes, only the mind of man, not the mind of God, can provide evidence of our existence.
Chicago school/Friedman, anything outside of the realm of the human mind is not scientific, and economics must be objective science.
We are living the implications of this idea that if it cannot be measured, then it is not science/rational/objective = real/of value

WRITING EXERCISE:

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<td>Why do we exist?; Why is there injustice in the world?; Why am I mortal and why can I not see beyond the curtain of death into the final beyond?</td>
<td>How we act; How we understand the nature of value; How we approach whether to invest in traditional financial instruments, to invest in and seek out safer “impact” investments or opt to explore the outer boundaries of impact in the Other in pursuit of investing in our selves.</td>
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FIGHTING ISSUE:
What are some implications of the phrase "what happens with money is up to the user(s)", since it has no natural properties
What did your reflection reveal to you about how you understand the value of money and the purpose of capital

KEY TAKE-AWAY:
The rise of philosophy, religion, natural science, literature, and even art can be at least partly explained as a response to two questions:

- *What is the meaning of existence?*
- *How can I lead a meaningful life?*

CONCLUDING REMARK:
Without having an understanding of the historical legacy, philosophical groundings and major influences in our lives that shape our answers to these questions, we will not know ourselves and in turn, not understand why we see the Other as our neighbor, sister, brother, friend and part of us. This mutuality is core to impact investing.

UP NEXT...
*(Chapter 4) Bookends of History*

*Pre-work for Ch. 4 - What does blended value (social, environmental, economic) mean to you based on what you've seen and lived?*
Purpose of Capital Teaching Guide & Notes (Outline Format)

Learning Outcomes: See Handbook for learning outcomes per chapter

Pre-work for Chapter 4 - What does blended value (social, environmental, economic) mean to you, given what you’ve seen and lived?

TIME: 100 Min/15 Min break

Chapter Four

NOTE STUDENT DEV: Personal journey of individual/group/other/local/global

KEY THEME: Axial age to the Anthropocene, the stories that shape human society are resonant because they transcend the present and answer the "Why" questions

Axial (pivotal) Age saw great luminaries from 800 to 200 BCE, who urged society to question authority, seek truth and meaning, and establish relationship with God and enlightenment. AND it happened simultaneously across hundreds of years and all regions.

From MYTHOS to LOGOS (note the OT reference to Jesus is Logos, or The Word)

And with this heightened awareness, a sense of responsibility to Other and a hunger for meaning

Enter the ANTHRO-POCENE --> 1760-1840, industrial revolution up to 1945, the development and use of nuclear warfare the conquest of natural systems by human systems

CHALLENGE: Examine why it matters for today's discussion on investing for social impact when exactly in human history the anthropocene period began? Late 18th C. and a long view, or post 1945 with the rise of GHGs?

Role Play

19th Century Industrialist 20th Century Naturalist 2050 Climate Investor
2020 Timber Company CEO 2050 (choose sector) Company CEO
2050 Historian/Biologist

Question: Start of the Anthropocene, Witness Disruptions in Earth's Systems

Attention Educator: Note difference in human-centred worldview v. circular/systems solutions worldview

DISCUSSION: What is the "new paradigm" of economics, earth, and global human community consist of? What makes it "new"?

How will you know (metrics/signals) that you are working in synergy with natural world, "an integrated, holistic approach"?

EXAMPLES: Investment Side: Rodney Foxworth, Burton, and Fund for Shared Insight, RSF Social Finance, among others


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FIGHTING ISSUE: Every generation is standing on "different soil" than their ancestors, and what incentives are there to practice "collaborative praxis"? Whereby "our thoughts being informed by experience, which then leads to more enlightened thoughts and perspective, bringing us to yet better execution and on and on." (p. 87)

WRITING EXERCISE (or DRAW): What is your response to the anthropocene if this new paradigm were the norm? What does the relationship between money, community and nature look like? How can the literary world of thungs like the Dark Mountain Project (reference the manifesto) challenge and inspire us to think, share and act differently?

CONCLUDING REMARK: Art and Design (and music) takes us out of our minds and into our breathing bodies, walking on the earth, into our imaginations to believe in things unseen or seemingly impossible. Locate how your creative forces are expressed, and find ways to share it.

KEY TAKE-AWAY: "The original Axial Age gave rise to four significant religious and philosophical traditions. Today’s communities, coming together in person and virtually, hold the potential to integrate our scientific knowledge with our shared wisdom to position us to take the great leap across the chasm dividing us from each other." (p. 93)
Learning Outcomes: See Handbook for learning outcomes per chapter

Pre-work for Chapter 5 - Where do values and value come from? When did human society start to divorce the two? How is impact investing intending to change the "culture" of capital?

TIME: 100 Min/15 Min break
NOTE STUDENT DEV: The historical perspective is critical when thinking about impact investing as a "new" idea or practice.

Chapter Five

KEY THEME: Value has been captured and defined in dualistic terms, with the sacred and secular split being the most profound as an extension of the separation of Self and Other; when, in ourselves and in nature, value is whole and integrative, a blend of elements we’ve come to think as consisting of what is the social, environmental and economic in our and other worlds. (p. 95)

Since the very start of civilization, economic and social components of value have been considered concurrently, because since the pre-Axial Age the idea of secular and sacred were not bifurcated. Agriculture, for example, was a religious activity (what we consider biodynamic today), as it was economic and social. From Socrates (I think therefore I am) to Rene Descartes (17thC.) that Minds (Reason) are separate from Bodies (Nature) our concept of Self became essentially separate from the whole, and this was reinforced as Christianity.

Philosopher Spinoza rejected this idea that the mind is somehow isolated from the physical world, believing they are "simultaneous in nature" (For this reason, Emerson calls Spinoza the "father of blended value", p. 99)

DISCUSSION: Do you agree with Emerson when he says (p. 102) "If we can promote our better nature within financial markets the same way we allow our animal instincts and political interests to drive our economic practices, we could more intentionally integrate our values and beliefs for the betterment of humanity"?

Debate: Thinkers In what thinker does our current financial system's values find its roots, the Ionian philosopher (600 BCE), Thales, who divided reality between Being and beings (Being as Supreme Being or God where Nature is the most real), OR Scottish philosopher Adam Smith who said self-interest drives economic practice by how the recipient receives what is produced (baker, butcher, banker), and for whom the stewardship of capital carried with it a social obligation not just to the capital owner but to any recipient of how it is spent, OR Rene Descartes' (The Cartesian Wound) whose bifurcated, de-spirited mechanistic worldview placed empirical science at odds with nature or God, "severing mind from body at the birth of modern science"

(SHORT BREAK)
WRITING EXERCISE: Do you agree with Emerson that the long-term impact of dualism (as seen in Protestantism, rationalism and empiricism that advanced the view that God was divorced from nature) has been to underscore those elements of identity and consciousness that serve to separate us from the Other as opposed to those that move us toward a deeper appreciation of our connections, to one another and greater humanity?

Why do you think some thinkers (Hayek, Friedman) uphold the argument that humanity is, at its core, motivated solely by reaping benefits for individuals vs. for the common good, and even gestures of good will have selfish motivations?

Theologian Joerg Reiger: mainline economic theory posits outside of family kinship, all relationships are governed by self-interest, and this is often sanctioned religiously as an inevitable expression of fallen human nature (sin) but it is redeemed somehow by the market, that magically transforms self-interest into the common good.

Who gave the market this authority? Who is the market?
What is the "culture of capital" and how is it sustained? --> impact investing is changing the narrative of this culture by questioning who owns it, who has the right to use it, how we define its complex value, components of worth, etc.

DISCUSSION: What are some examples of this new culture of capital?
> reparations > mutual aid societies > cooperatives > joint interest-setting investment meetings > non extractive investments

Debate:
Given all capital has some impact, either positive or negative, in what ways could impact investing be promoting a perspective that positions the investor and capitalist as selfless servant of the common good and reinforcing the belief that those who are not a part of the new economic order, the low-income, homeless or destitute, as shiftless “takers” from the good work the economic winners? (p. 110)

FIGHTING ISSUE: Knowing the limits of language and vocabulary in being able to capture the non-dualistic substance of being and value, and the power of names and forms in maintaining the unhelpful silos in our thinking that perpetuate separation, how can our language (and by extension our culture) of capital change unless we define new words, terms, forms and metrics that people can use as new signals?

CONCLUDING REMARK: The task before us, as outlined in this chapter, is to be fully present, still, and in tune with the complex and natural substance of all life and living. It is from this inner journey, and only through this inner journey, that the true nature of value, being and the purpose of capital is found (p. 115).

KEY TAKE-AWAY: The old narrative (from Thales in BCE to Hayek, Smith to Friedman) held onto assumptions about human behavior that have not served us because they are wrong and rooted in a colonial, contracted and bifurcated worldview where the Self is the individual at the center (esp. during COVID); we are moving to a narrative and a new vision of capital in this century, a post-colonial (or decolonized) story is shaping the culture of capital by moving it back where it belongs in the human experience.

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Pre-work for Chapter 6 - Reflect on the Eisenstein quote Emerson uses to frame this chapter, “Separation is not an ultimate reality, but a human projection, an ideology, a story...It is a story of the separation of the human realm from the natural, in which the former expends and the latter is turned progressively into resources, goods, property, and ultimately, money.” (Charles Eisenstein, Sacred Economics, p. 2)

Chapter Six

TIME: 100 Min/15 Min break
NOTE STUDENT DEV: Personal journey on our relationship to nature, the living world, in relationship to the manufactured world of capital

KEY THEME: "The nature of our relationship with Earth and Self becomes a grand metaphor for and reality of how we each interact with and are affected by the financial capital we've unleashed and that flows across the Planet, shaping communities, individuals, societies, as well as Earth itself."

Writing Exercise/Reflection What is your relationship with nature, as the biosphere, in relation to capital, and where do you see your individual identity as a shared identity with all living things?
What are examples of actions you take in your daily life with the capital you own/steward that reflects your relationship to nature?

Debate Do you agree with the Parenti quote from his book Against Empire that "the essence of capitalism is to turn nature into commodities and commodities into capital. The live green earth is transformed into dead gold bricks, with luxury items for the few and toxic slag heaps for the many" Why or why not? Defend your view with data!

Discussion Read the Business Roundtable’s August 2019 statement on the purpose of the corporation: https://opportunity.businessroundtable.org/ourcommitment/.
How does the BR statement frame the relationship of the corporation with the natural environment?
Which historical view on the human relationship with nature does it seem to espouse – is nature an interdependent stakeholder or a resource?
Impact investing, Emerson argues, is not simply the ability to deploy capital in alignment with values or as a vehicle to potentially advance positive value creation across the globe.... What else is it good for?
It allows for the potential to, through our capital, link more deeply to and within that same world—natural and social becoming—as a means of exploring on a more intimate basis who we are, what we are, how we ultimately want to be present in our world. p. 122

**Fighting Issue** How does the *Theory of the Firm* stand up against the claim that the value created by a firm is dependent on the resources it takes out of the natural world? [the firm has no social obligation, primacy of shareholder value]

Just as "the firm does not create its value solely as a function of its management and operations but rather as an outcome of how it operates in the world, it also take resources out of the world and is advanced through the policies, values, and energy offered it from that world” (p. 123).

Just as our own health and survival is dependent on the natural world, “the fundamental health and wellness of the firm is interwoven with the long-term health and wellness of its employees, communities and various non-financial stakeholders” (p. 125).

**(SHORT BREAK)**

**Role Play** Darwin, Bateson, Friedman and Hayek walk into a bar...

for each of them, what are the long term, off-balance sheet factors that impact a firm’s operations over time.

*Bateson's critique*: Darwin is comparing one species against another or versus its environment in a struggle for survival is inherently wrong, pits humanity against Nature, worldview of survival through competition, ‘an ecology of bad ideas’, breeding parasitic humans, purely self-centered and destructive of their host environment.

**Discussion** What is our current challenge (as Americans and humans writ-large), according to Emerson, building off of Frederick Jackson Turner's "Frontier Thesis"?

[That, whether we acknowledge it or not, we are engaged in a conversation with our self through the vehicle of the Earth as Other and via our connection with other humans, bringing our own set of values, perspectives, and comprehension of the nature of that relationship and prospect of growing more aware of the social, ecological and economic web of which we are inextricably influenced by and influencing.

Spiritual ignorance is not a lack of knowledge, its the deep-seated belief that if only we had more of what we like and less of what we don’t like, we’d be happy. But we’re confused about what we like, what we value, what matters.

Building off of Arne Naess "a life form has developed on Earth which is capable of understanding and appreciating its relations with all other life forms and to the Earth as a whole."

**Concluding Remarks** The firm, and anything trying to create economic value, cannot operate in isolation from the communities, markets, and societies—from its natural and human eco-systems—that give it life.

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It is the sacredness of the natural world, the substance, that, when reunited with the modern secular understanding of value, restores our understanding and ability to see what is meaningful. The COVID-19 pandemic is a symptom of the effects of our separation and commodification of the natural world, of living animals and in this case endangered species.

"Perhaps it is now time to advance a reconstituted form of environmentalism and entrepreneurship that embraces who we are as well as our relations with other sentient beings and this planet." (p.136)

[If there is time -- offer up Margaret Atwood's poem "The Moment", ending with "We never belonged to you. You never found us. It was always the other way around."]
Purpose of Capital Teaching Guide & Notes (Outline Format)

Learning Outcomes: See Handbook for learning outcomes per chapter

Pre-work for Chapters 7 and 8 - How has the COVID pandemic changed your relationship with the concept of time, and what is true. How has culture, experience, and evidence influenced your perceptions of both? What has the crisis revealed to you about the [meaning and] purpose of capital?

Chapters Seven and Eight
(Chapter 7 - On Truth: The Rediscovery of Experience as Evidence) TIME: 100 Min/15 Min break
(Chapter 8 - Demystifying Time and Money) NOTE STUDENT DEV: Personal journey of individual/group, self/other

KEY THEMES: Impact investing operates in the margins between traditional concepts of business and philanthropy and social science – a rich mix of values, truths, and approaches whose interplay is moving us forward to a more integrated concept of capital.

The lived experience, often relegated to the category of "story" and therefore, not scientific and thus, not evidence, is at the core of impact investing, which balances these tensions of evidence-based for returns on investment, and the intangible assets based on experiences that shape values, truth, and purpose.

Impact investing itself lives in (and informs) such tensions. As a relatively new approach, its “evidence-base” for financial returns was nonexistent, requiring pioneers in the past decades to take a leap of faith and create new paths that over time became evidence.

Transcending dualisms, religion and science, is the whole point of Blended Value and impact investing "...the reality we pursue should not be one of evidence-based versus experiential and intuitive. Rather, we should seek truth through evidence informed by experience and the wisdom of prior generations who we must keep with us, alive and advancing, in the form of their writings, reflections, and cultures which we make live as we bring them into our world today." (p. 147)

Writing Exercise/Reflection Read this quote from Emerson: "I became able to link various aspects and elements of knowledge with a deeper understanding of the process of an evolving truth concerning not only what was right in the world but our ability to trace seemingly distinct evolutions of our shared process of moving more deeply within this flowing truth. I felt an emergent empathy with who I was at each stage of my life and what I knew to be truth within that stage of my development but also saw each step as part of the larger whole of who I was, with who I was at each stage of my life and what I knew to be truth within that stage of my development but also saw each step as part of the larger whole of who I was, and who I am today and am in the process of becoming." (p. 140)

Free-write on these questions: Think about your life and experiences – can you think of ways your perception of truth has evolved as a result
of your experiences? Why did your perception change? How did your perception change—was it drastic? More of an evolution? Did it become simpler or more complex?

When you look back, do you empathize with yourself and your prior beliefs?

How do you respond to others who hold beliefs similar to your prior self?

Discussion

Emerson talks about his search for truth in his late fifties, as a search rooted in centuries old thought, to position himself more deeply in the force of that collective knowledge, and simultaneously states that "Even a casual review of the popular literature of impact investing or strategic philanthropy or any number of related fields leaves one with a sense that much of what is explored and celebrated as the new and insightful is, in short, not."

Challenge

First, how do these two things ("search for truth", "nothing new here") relate to each other? What does he mean by it?

Second, do you agree with him as it relates to impact investing?

Debate (choose 1)

"Truth evolves and looks different to different folks, depending on where they are in their journey and evolution"
"Be still and know the Truth, that I am God',5 but know that God is Nature, substance, and nothing. How can you tell that to someone and trust she or he will understand?"
"In this way, the reality we pursue should not be one of evidence-based versus experiential and intuitive. Rather, we should seek truth through evidence informed by experience and the wisdom of prior generations who we must keep with us, alive and advancing, in the form of their writings, reflections, and cultures which we make live as we bring them into our world today.'

Fighting Issues

Emerson critiques the financial system as a place where people "spend their lives sitting in front of multiple computer screens, scrolling digits and data, engaged in maintaining the flows of capital within the bowels of finance, yet thinking they sat at its heart" (p.145)

and "where "One percent" and their agents control and dominate all manner of capital flows...

and, by extension, the myths of corporate practice and economic order within which we pursue our professions and our lives" where "corporate marketing and communication teams [are] taking over the impact narrative."

YES or NO: These are inevitable realities of the economic and financial systems we’ve created; they are too complex, ubiquitous to change

YES or NO: Do you agree that corporate capitalism is a guiding myth of mainstream culture? Why or why not?

YES or NO: The impact narrative has been taken over by corporate marketing and communications teams.

OPEN IDEATION

What are other, unacknowledged myths or truths, as you understand them to be, that could influence or even replace this corporate capital myth, especially around the perception of value and the impact narrative?
Emerson concludes here by observing that what we believe regarding the purpose of capital is less a function of distorted corporate myth making or peer group pressures than our own broken experiences. "The challenge is we pretend much of our story is focused upon others, when in fact our story is mainly about our selves" …and quoting Ruiz, "If we don’t like our story, it’s because we don’t like what we believe about the main character. There is only one way to change our story, and that is by changing what we believe about ourselves.”" (p. 162)

**Discussion (group)**

"...Part of the hesitation of so many people to acknowledge that everyone else is alive and everyone else is sentient is that they are fearful of living in a world that is nearly infinitely complex, and nearly infinitely morally complex. It’s much more convenient to live in a world where you base your morality on a clearly defined hierarchy, with you at the top. To interact with a machine is less complex and less morally complex than to interact with a community,” Emerson quotes Derrick Jensen to make a point.

*What does this observation about fear and infinite complexity have to do with impact investing?*

**Discussion (pairs)**

*How do you rely on external sources - history, experts, scholars, leaders, writers, etc. - to inform your perception of truth?*  
*How do you rely on internal sources - your own experiences or intuition to inform your perception of truth?*  
*Do you tend to rely on one more than the other? Have these tendencies been steady, or have they changed over time?*  
*Do you tend to react to the different perspectives of someone in a different field or from a very different life experience? Are you intrigued? Annoyed? Frustrated? Curious to learn more? How have your beliefs changed as a result of being open to learning about a very different perspective? What prompted this openness?*

**KEY THEME**

Time and money; Time is money; The time value of money. What about time is value and money? (See: Michael Sandel) Without that shift in our Western understanding of the nature of time, we would have had no development of our present knowledge of the notion of “time value of money” around which we now structure our lives and loves. (p. 171) We experience time differently at various stages of our life, with time seeming slow when we are young, and seeming to move faster as we age. It is being present while keeping in mind our interconnectedness over time and space with generations and peoples where our freedom lies.

**Discussion (group)**

*Time value of money*  -- Emerson explains it as a linear understanding of time that has made the concept of finance and financial return possible; it states that money is more valuable today than tomorrow, and so we set interest rates that reflect the financial value of money today relative to its potential future earnings and the risk that they will (or will not) materialize.

“With this connection of time to money, with this valuation of our ideas and energies, with this measure of our real worth, life itself begins to change.”
This made it possible for financial return to become an end in itself, the measure of value.

Emerson discusses the actual relativity of time – from the perspective of physics to spiritual views – and how understanding time as non-linear is liberating: “Your understanding of your life, time and presence is real for you – but it is merely a particle or pulse in a more significant flow of energy, experience and perspective which when taken together make up the broad arc of history and human experience that simultaneously connects you with past and future and so, as has been said, one should merely seek to find one’s place within that flow and be here now, peacefully present and thoroughly grounded in what, for you and in this time, is.” (p. 177-178)

Emerson notes how his perspectives and his priorities have changed, along with the world’s perception of his own value and role. Thus, he stresses that, like truth, time is not absolute. “It is true: your life negates those that have gone before, just as those to come will, in essence, be the negation of your own...With the right perspective, this process of rolling time, the passages from youth to elder to child, may be viewed as continuous and never-ending.”

Closing Reflection  
Have you ever thought of yourself with the perspective that Emerson described – existing in a place in time that is part of a bigger, greater cycle (or arc) of time? How does that story go? How does this perspective of time change your view of financial return? What does that look like?

CONCLUDING REMARKS  
Emerson’s main points in these two chapters can be summed up: the purpose of capital is re-defined by every generation that dares to scale the "walls of the street" to challenge the experts and scare the elders, and redefine the meaning of money based on their experiences, values, and understanding of time and truth. the experts and scare the elders, and redefine the meaning of money based on their experiences, values, and understanding of time and truth.

Hopefully "they think of long term as operating within a fifty to one-hundred-year time horizon" and their idea of value is blended and whole, and their idea of truth is inextricable with justice.

KEY TAKEAWAY  
"What we are doing is merely operating in a reductionist framework that attempts to separate and artificially simplify the very elements of life we are trying to improve upon. The whole conversation—from investment strategy to fund structure and investment instrument management to our understanding of exits and returns (indeed, what do those terms each mean in the full context of change and impact, much less within our evolving experience of time?) comes to be distorted and separated from any real level of meaningful change and sustained impact." (p. 179-180)
Purpose of Capital Teaching Guide & Notes (Outline Format)

Learning Outcomes: See Handbook for learning outcomes per chapter

Pre-work for Chapters 9 and 10: Reflect on what you have faith in...and then ask yourself why.

Explore where in your life these belief systems emerged and how you confirm this faith.

TIME: 100 Min/15 Min break

Chapter Nine and Ten

NOTE STUDENT DEV: Personal journey of individual/group, self/other

KEY THEMES:

Our relationship to finance is like an unconscious religious faith, with dogma we are not to question and beliefs that guide our behavior and values.

There are limitations and problematic issues associated with scale and private property; these are not universal or moral laws written in stone, but social constructs that influence our beliefs on the purpose of capital.

The 2008 financial crisis was a prime example of the power of faith in the myth of a free market, and the horrible consequences for the unlealthy when this myth gets challenged (banks get bailed out, not people).

The myth was exposed as banks stopped lending capital, institutions previously thought to be sound, fell and we called into question our understanding of what is real and fair. Unfortunately, no change in the status quo.

Impact investing is not regular investing gussied up with an impact patina; it is focused upon transformation and change as opposed to the simple economics of growth and market dominance.

Discussion

What is faith? The biblical definition of faith is "trusting in something you cannot explicitly prove".

Where do we find this definition of faith in money, market capitalism, finance and investing?

Quoting Hariri: "More than 90 percent of all money—more than $50 trillion appearing in our accounts—exists only on computer servers... Money isn’t a material reality—it is a psychological construct...
money is the most universal and most efficient system of mutual trust ever devised."

The Czech term for lender, veritel, literally means believer. (p. 184)

Quoting Niall Ferguson: “What the conquistadors failed to understand is that money is a matter of belief, even faith:
belief in the person paying us; belief in the person issuing the money he uses or the institution that honors his cheques or transfers.

Money is not metal. It is trust inscribed. And it does not seem to matter much where it is inscribed: on silver, on clay, on paper, on a liquid crystal display. Anything can serve as money, from the cowrie shells of the Maldives to the huge stone discs used on the Pacific Islands of Yap. And now, it seems, in the electronic age anything can serve as money."
Discussion

Faith in finance is an addiction to a mindset about a way of life and an identity that blinds us to the ultimate damage we are bringing on our bodies, communities, world, and selves.

What is this mindset, its characteristics? Where does this mindset come from? How does it get inculcated and reinforced in our everyday lives? Why is it so hard to change?

Fighting Issue: the morality of markets -->

"Markets are amoral. They do not reflect anything more than rational behavior in response to a set of inputs given them. There is no ‘moral’ imperative asking market actors do anything more than pursue their own self-interest and the financial interests of those they represent. You cannot describe markets as being moral nor should they be. They simply exist; they simply are.” (p. 190)

Emerson states "The reality is that capital markets—which are simply the financial infrastructure of our social order—carry within them our social and class assumptions, and biases, and social mores?" (p. 191)

What are these social and class assumptions, biases and social mores embedded in capital markets?
Where do they come from? Whose truth (reality from experiences) do they reflect?

Emerson asks "How is it we can convince ourselves of their amorality in the context of what is at heart a socially determined, numeric operating system?" (p. 191)

What is Emerson’s point here about "what is at heart a socially determined, numeric operating system" and the argument of amorality?

Challenge

Take this quote below (p. 195) and position it within the previous arguments --

"We know that real value—deep, blended value—exists beyond what we can adequately measure, assess or comprehend...

...We know our present approaches to understanding what “it” is fall short of a specific definition or enabling us to understand what it “is.”

How can VALUE (and VALUES) that exist BEYOND words and metrics, assessment or comprehension, still find its way into the capital markets, to create what Emerson calls “the marriage of a narrative numeracy with capital performance, a Church of the New Capital, seeking multiple returns and deep, sustained value creation that is part financial and in greater parts just, equitable and regenerative."?

What are some signals that this shift might be happening in some places?
Where are the places in capital markets where it seems just impossible? Why does it seem impossible?
Writing Exercise/Reflection

What do we usually mean when we say to "scale" something "up"? What are the business assumptions behind this idea? Now think about what this looks like in nature. Take a few minutes to write whatever comes to mind about how nature might "scale something up".

Think of something specific in the natural world that this happens to, and try to describe what happens to the ecosystem in which this specific living thing is a part.

Debate

To scale or not to scale when impact is on the line -- A. Small is beautiful, or B. Go big or go home

PROS

CONS

Note: allow the group to pick one or the other, and have them debate;
Provide examples such as vaccination, education, iPhones, food, housing

Role Play

A common pitfall of investment funds, because relationships are key regardless of the size of the fund, is that as they take on higher amounts of capital with desire to scale but they then need to begin to make decisions based not upon what is best for a given enterprise, set of investors, or fund but upon the need to deploy and service the capital they had raised.

In the context of impact investing, according to Emerson, the relationship we should strive to create together with our investees is not one of a traditional investor/investee relationship, much less one of distance and disengagement; it is one of true presence, connection and “suffering with” the entrepreneurs in the course of being fully engaged in the process of blended value creation, of creativity and of bringing transformative ideas to reality, in the form of impact within community and in support of Planet

ROLES:

Entrepreneur of start-up
Young Fund Manager
Impact Investor
Seasoned Impact Advisor
General Counsel

SCENARIO: Young farmer/entrepreneur is starting an organic farm-to-fork business
Climate change risks decimated crops and she needs cash before harvest
How are the risks defined by each stakeholder, given their role?

Notes from pg. 202: "The challenge for these firms [funds] is one of culture, incentive and vision, which are hard to alter once established and understood by advisors, managers and clients. This refers to how the firm and its various stakeholders understand issues of the scale and depth of potential impact as well as the degree and nature of financial and other returns generated."
Discussion  As firms and funds move to scale impact, they will feel pressures to introduce new investment products and practices that are ‘conforming’ with the other investment strategies and instruments in the market so they may easily be managed at a distance or distributed via the existing infrastructure of mainstream finance with little effort or need for accommodation of our impact agenda. As a result, some may be tempted to respond to the need to soften the terms of what impact comes to mean, how deep we care to go in its pursuit and the degree to which we will need to accommodate the existing economic order to advance our investment agenda as opposed to our working to challenge the base assumptions and practices of that agenda, the economic order within which it operates and its economic much less broader philosophical concepts.

What are some ways currently being tried to avoid the softening of what impact means and requires, or taking the attention away from the investee and placing it primarily with the investor?

Impact Commons-->

As we think of scaling impact, we ask what is the source and structure of the resources and flows from which our wealth arises? Where is private ownership in relation to the Commons?

If there is Common Wealth, then there must be Common Impact --

Examples:  Saint Ambrose: “It is not anything of yours that you are bestowing on the poor; rather, you are giving back something of theirs. For you alone are usurping what was given in common for the use of all.

Thomas Berry: "The earth belongs to everyone, not to the rich."

Thorstein Veblen: "property originates in theft and its acquisition beyond necessity has nothing to do with survival and nearly everything to do with status."

Norway: Alle Manns Retten, or “The Right of Access Law” or “The Right to Roam, while private ownership exists and land may be managed for private gain, access and use remain open to all.

Peter Drucker: "it is often convenient to pretend that property is some naturally occurring fact, but it is really a social construction that must be delineated and enforced by the power of the state" painstakingly constructed over many years."

KEY TAKE-AWAY:  Sloman and Fernbach: “Every farmer knows that the hard part is getting the field prepared. Inserting seeds and watching them grow is easy. In the case of science and industry, the community prepares the field, yet society tends to give all the credit to the individual who happens to plant a successful seed. Planting a seed does not necessarily require overwhelming intelligence; creating an environment that allows seeds to prosper does. We need to give more credit to the community in science, politics, business, and daily life."

Impact Commons--> there is a better approach for how we think about ownership itself, its impact on our community and the purpose of those assets generating from it. Coop ownership structures:

• Direct ownership of underlying assets and value of assets (stock value, asset value, etc.)
• Profit or Loss participation you might receive from that asset (dividends and profit sharing), and
• Control and Voting rights.

Concluding Remarks

"Impact investing will integrate within mainstream capital markets. And impact investing will need to maintain its critical posture as a tool in our efforts to address the challenges of our time or it—and we—will become tools of traditional financial capitalism itself." (p. 204)
Purpose of Capital Teaching Guide & Notes (Outline Format)

Learning Outcomes: See Handbook for learning outcomes per chapter

Pre-work for Chapter 11 - When we say "impact first" or "finance first", what assumptions are we making about freedom or justice?
TIME: 100 Min/15 Min break

Chapter Eleven
NOTE STUDENT DEV: A exploration to expose the myth of the bifurcation in our thinking between private freedom and capital, and public protections and justice.

KEY THEME:
Highest Purpose, to end with less wealth than you started?
Or "Highest and Best Use" of capital, to seek that combination of highest financial return and lowest assumption of risk possible to optimize financial returns.
We’re asked to believe capital markets exist outside of the social interactions and deliberations that brought them into being;
Capital at rest in accounts is in motion across the world.

Starting point: Reminding ourselves that "different types of capital seek different levels of financial return in exchange for various levels of assumed risk and liquidity lock ups" (p. 215):
Fixed income—debt, bonds and various forms of lending secured by an underlying asset and first position in the event of bankruptcy are understood to generate levels of lower financial gain in exchange for lower levels of assumed risk exposure.
Equities (public or private) carry greater risk and therefore will seek—and deserve—higher financial return in exchange for that increased risk exposure.
In creating a portfolio of investments, one deploys a certain amount of capital into various types of investment instruments across an array of asset classes to achieve the overall returns a portfolio needs to reach the investor’s goals, some investors being more or less risk averse than others in their pursuit of total financial returns for any given portfolio.

Fighting Issue
"The only measure... is the amount with which we began versus that with which we conclude our journey at life’s end.... To end with less capital than one started with is assumed to be failure"
Argument: "The purpose of money is to be applied to its preservation and growth; any other outcome is a shame and a disgraced result of our entrepreneurial inabilities or fiduciary failures". (p. 218)
Counter:"in the past the purpose of capital was in points of history and within certain communities broadly understood to be that of service to society, to family and, lastly, to self."
Walter Brueggemann: "the property of all is situated in a social-moral context of community."
Umar Moghul: "“The Shari’ah is clear that the purpose of business is the preservation of life (non-human and human)
as well as the preservation of wealth—both community and individual."

Jesus Christ: "is it easier for a camel to fit through the eye of a needle than for a rich man to get into heaven"

Buddha: we make full use of our wealth: to engage happily with others and with the world (Houlder)

**Discussion**

Disguised narcissism, cheap grace, altruism and charity --> wherein we cloak our real intent within the garments of concerned impact upon the world when we are only willing to pursue impact as long as there is no requirement to alter our expectations, behavior, or life in any real way. The negative impacts created from an adherence to traditional purpose of "highest and best use" as defined by financiers and arbiters can be conveniently cloaked in impact piety; "protecting" us from any worry of hearing the cries of the poor and oppressed and feeling responsible to them.

**Debate**

*How much should it cost me if I am truly seeking mutual impact?*  
*What do we owe each other?*  
*How much do I need to have before I have enough to give away?*  
*What exactly do I need to give up in order to do something of true value in the world?*  
*Rohr says, "as good as charity is, it largely became an avoidance of basic concern for justice"*

**Writing/Reflection:** Where do these questions, ideas challenge you most? What would you need to know better, or to trust, in order to "move into a deeper understanding of impact, and embrace the opportunity to develop a more meaningful engagement with the wisdom of the world which promises to open us up, to show us what is more real than either our capital or our present understanding of truth?"

**(Short Break)**

**KEY THEME:** The Purpose of Capital is Freedom: "understanding of the purpose of capital as community and impact as opposed to capital as economic growth and traditional, financially driven commerce alone."

The Purpose of Capital is to support, augment, energize our freedom to engage in a shared process of continual becoming.

**Discussion**

Emerson, asks us to understand capital - not as an economic concept, but economics as but one component within a more significant, more complicated process of value creation; and beyond the financial performance of capital...the degree to which wealth is a vehicle for increasing freedom and the way in which our various political and other systems advance that freedom. Aristotle's *telos*, all things have a purpose, and that purpose is defined only in regard to its relation relative to other objects and, at a subatomic level, its being under observation.

By extension, capital performs best when viewed relative to its social and environmental context, its portfolio and market community; its nature is a function of its relation to other entities.

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Emerson argues "our present chart of national accounts and decision to include only that which is measurable in economic terms within our current metrics and framework of value, regardless of relative value or importance; is this not miscalculation? A profound algebraic error of global proportions? (p. 226)

For...If we understand capital as a tool, a resource, a form of energy, than one may easily see the purpose of capital is in turn to function as a means of promoting freedom.

...to be free to allow us to achieve our full potential as individuals and as a community of beings intertwined with the forces of life on this planet.

At an individual level, it is the freedom of an entrepreneur to create a firm to capture a perceived community and market opportunity.

At the organizational level, it is the freedom of a group of individuals to gather and resource themselves to advance a common goal or objective, to capture a shared vision of value.

At a more profound level, it is to enable humanity to realize its potential on this planet; to be free of poverty, to function in the present, to support and sustain shared systems of all life.

In this way, capital becomes that fuel of freedom upon which individuals, organizations, and society each may draw.

What are the implications of seeing Capital as Freedom? What is the relationship between freedom and justice? The Politics of Justice: Impact investing means expanding our understanding of justice to include not simply citizens of our nation, but those with whom we share our citizenship of the Earth.

Emerson also warns "a strictly economic knowledge of the purpose of capital is, by definition, one that will underperform its real potential" and "can take on a nationalistic bent" and finally asserts that "Impact Investing is as political as it gets —just not on the terms of our present partisanship"

As Milton Friedman said, "concentrated power is not rendered harmless by the good intentions of those who create it" (p. 232). While Friedman was likely referring to the consolidation of power within government, Emerson notes, "one must wonder what he might make of the concentration of economic power we’re witnessing today"

So what are the political implications of impact investing in this time of extreme partisanship in the US? What is the role of the State (public sector) in determining or directing the purpose of capital? Many believe in limited government as a sign of freedom, what are the assumptions they are making about justice?

Emerson states "not to discuss the politics of capital is to affirm its present form and use in our world" --> This does not mean impact investors are Democrats as opposed to Republicans.
However: "Others have claimed, that as wealth advisors, their obligation to clients is to deploy capital on whatever terms those clients desire" (p. 234)? "Others have claimed, that as wealth advisors, their obligation to clients is to deploy capital on whatever terms those clients desire" (p. 234)?

What makes it possible to BOTH "deploy capital on whatever terms those clients desire" AND believe, as Emerson does, that "Impact investing means protecting those not able to stand to protect themselves, whether they are a refugee family, a line worker in a manufacturing facility or voiceless animals, forests, rivers?"

[technical skills to internatize all possible external negative impacts on nature and people of an investment by looking at blended value from a multi-generational perspective]

[moral leadership, political will, faith in something greater than humans, rigorous commitment to Mutual Impact, contemplative practice that fosters long-term thinking in investment decision-making]

Concluding Remarks

Impact investing is about having a positive impact on the world, where one is trying to impact is the status quo, the world as it currently exists, to change the direction. The politics of impact are those that challenge and transform, working to attain our true potential to advance a just and sustainable planet to the greatest benefit of all living beings.

Impact Investing means the promotion of truth, scientific and experiential evidence and the real facts upon which we must base the words we speak freely and use to promote our agenda of justice. The politics of impact investing is that of putting your assets on the line to finance a new order, a new world and a new reality. These are not concessionary returns, they are what investing looks like.
Purpose of Capital Teaching Guide & Notes (Outline Format)

Learning Outcomes: See Handbook for learning outcomes per chapter

Pre-work for Chapter 12 - What indicators would accurately measure your own life portfolio's "progress"?
TIME: 100 Min/15 Min break
NOTE STUDENT DEV: Personal journey through freedom, dignity, obligation and justice

Chapter Twelve: From Losing Discernment, Seeing Greed as Need, Guided Missles and Misguided Men (MLK, Jr.)
to Restoring Justice Through Right Relationship with Nature, a Humanizing Process

KEY THEMES: The term progress is key to human development, and yet it has been carried out by deflating the natural world.
We allow technology to drive then adapt our culture to technology...
Arne Naess, Norwegian Philosopher and founder of Deep Ecology movement: "We say, you can't stop technological progress". We don’t say ‘progress requires that slums be eliminated, there’s no sense to try to stop it!’
Why not speak in terms of progress of life quality? We are so blind to this capitulation to economic growth that we will even surrender paradise (nature), what we value, in the name of abstract wealth creation.
Our culture is the only one in history in which the culture has adjusted itself to the technology rather than vice versa... Scarcity (fear) versus abundance (interconnection) mindset has placed humans at the center, in an efficiency race toward tech progress at the expense of wellbeing and happiness.
Edward Abbey: “Growth for the sake of growth is the ideology of the cancer cell.”

Discussion There is an ancient tension between material and spiritual purpose, and as humankind breaks ever-new ground in the economic sphere, our disorientation in other spheres becomes all the greater.
With unchecked economic progress comes a loss of beauty and security, and to overcome this loss of beauty and security, we must reframe our understanding of what sustained growth and progress means.

This new understanding has two principles:
First, is the concept that we have obligations to others; beyond our selves, to families, community, and nation to be sure, but also to Planet and all sentient beings living upon it.
Second, is the idea we must value not merely human life, but the diversity and richness of humanity in the context of a Living Planet.

Mutuality: The purpose of our capital cannot be our purchasing of freedom for Self and not Other, for Self cannot be made free in absence of the Other’s liberation. (p. 251)

Fighting Issue Growth is not value creation - take GDP as an example. We measure growth by what generates revenue not
by what generates wellbeing. Such metrics assess economic exchange but not meaning, impact. The "Jevons Paradox" (1865): increasing efficiency does not lead to less consumption since consumers would simply use more of the cheaper energy made available by the increased efficiency of production. For example, washing machines and dishwashers didn’t ultimately reduce the amount of time we spend washing things; we just increased the amount of items to wash.

**What are the alternatives to GDP?**

Does embueing GDP with environment and social indicators mean the same thing being anti-growth? Is there such a thing as sustainable growth?

**Challenge**

Like Deep Ecology, we need a **Deep Economy**, rooted in the principles of deep ecology, where organisms as knots in the field of intrinsic relations vs. master-slave role that has caused alienation. Can you imagine a world where 'capital is not the driver, but "one fuel for the vibrant alchemy of life"'? Where we "place the Earth and other species on at least equal footing with ourselves?" (p. 252)

**What would we need to change, our mindsets, our incentives to develop new technology, our definition and measures of progress, our relationships with nature, each other, to achieve Deep Economy?**

**Writing Exercise**

How are we each called to act to remove injustice and its related barriers to attaining sustained freedom in our world for each member of our human and non-human community and ecosystems?

"We must accept that we are each called to play many and diverse roles over the course of our lives, and in this way debates and discussions regarding the ‘best’ approach to impact depends – upon context, actors, resources, capacity and a host of related factors we many not even see until we’re in the midst of the new becoming" (p. 255 - 256).

**Restorative Justice**

As we move toward that place, a Prophetic approach to Impact Investing is one that acknowledges the challenge that even if we fulfill the terms of our investment contract, 

**injustice is still resident within the current financial capitalist system** within which we operate, a system that allows us to extract economic value from low-income communities in the name of and working within the bifurcated construct of doing well and good." (p. 261)

Restorative justice speaks to our condition and prospects for being made whole through the process of advancing greater equity in the world and challenging the very systems which may benefit us (p. 260).

**What are the implications of this idea of restorative justice for impact investors who believe they are doing the best they can to use their wealth in ways that challenges the status quo?**

1-Engaging in true dialogue with the Other, being fully present and listening;
2-Being open to the transformative change that may result;
3-Being willing to openly challenge structural issues perpetuating injustice, even if it means less progress or less wealth or less power for you.

Are there limits to the obligations wealth owners have ("what we owe each other") to those who are oppressed, excluded, ignored by our society, including nature, if wealth is acquired at their expense?

Mutual Impact Revisited --> "We do all this since our goal is not merely to create impact upon and within the lives of others, but in a genuine sense to save our selves. Justice is a two-way street, a relationship of connection and engagement rather than a charitable act we perform upon the Other... In doing so we come to be liberated from boundaries; we come to be free." (p. 259-260)

Role Play Emerson invites us to practice "Paradoxical curiosity" which seeks something "beyond what is visible, something that holds apparently contradictory and even violently opposed social energies together."

More Mindset --> Less Model  More Presence --> Less Performance
Impact investing is ultimately “a question of the nature and level of our intentionality, awareness, and ability to be present within an investment process as opposed to being detached managers of one” (p. 263). Doesn’t matter one’s level of assets, whether you are rich or have limited means, the path is to “be deeply embedded in the relationships and networks of Our and the Other’s life and communities” (p. 265).

Roles: Multi-billionaire Large Private Foundation Executive Indigenous Community Leader Millionaire Pension Fund Investment Consultant Retail Bank Manager

Scenario: Everyone will invest 10% of their income in a new CommonWealth Impact Fund for racial equity and justice; what are the different definitions of impact, risk and return in each one's investment thesis and strategy?

Writing/Reflection Emerson shares a personal story at the end:
"the very reason I do read New York Review of Books religiously is because it expands my world and brain, while opening up periods of our history, culture and shared experience I’ve not been exposed to and introduces me to new perspectives I’d otherwise not encountered."

Reflect and write about the things you do to expand your world, to challenge your thinking, and/or jot down things you will plan to do so that you stay curious and open to growing and changing your mindset.

Closing Group Discussion Emerson refers to freedom as being liberated from boundaries between the Self and the Other – freedom includes a profound connection with the Other.

Have you ever thought of freedom this way? What is your reaction to that idea? Why?
Emerson advocates acting, even when we aren’t certain of the strategy, and learning as we go as a crucial element of impact investing practice.

*Is it easy for you to embrace this notion? Why or why not?*

Emerson’s offering a “way of thinking as opposed to a prescriptive outline of what to do.”

*Is that what you expected or hoped for when you picked up the book?*

**Concluding Remarks**

Emerson’s plea in this closing chapter: "We must be transparent and engaged, one with the other, and seek to challenge ourselves to continually drill deeper and rise higher in terms of how we hold ourselves and each other accountable for advancing a true and not distorted, opaque or weakened impact agenda." (p. 256)

*To do this, we commit to the grounding questions with humility, to actively listen, and to engage with our investments with intention and presence, acting as if the planet and (ALL) people really mattered.*

A dialogue, as Paolo Friere reminds us, "requires an intense faith in humankind...faith in their vocation to be more fully human...where mutual trust between the dialoguers is the logical consequence."