

NexGenRegen Cogency

The World's Toughest Problems
May be Solved by our Young
Student-Leaders

Vol 1, Issue 1, May 2019



Key Dates

We are attending, speaking, sponsoring, recommending or processing awards (please tell us about your events):

- May 7, 2019 [NY+Acumen: Navigating the Landscape of Social Impact](#)
- May 15, 2019 [Applications Due for Fellowship Stipends for Summer 2019](#)
- May 17, 2019 [Earth's Call Inaugural Event \(CO\)](#)
- May 28, 2019 [UNCDF/Lupoff Impact Scholars - Investing in SDG's](#)



Statement

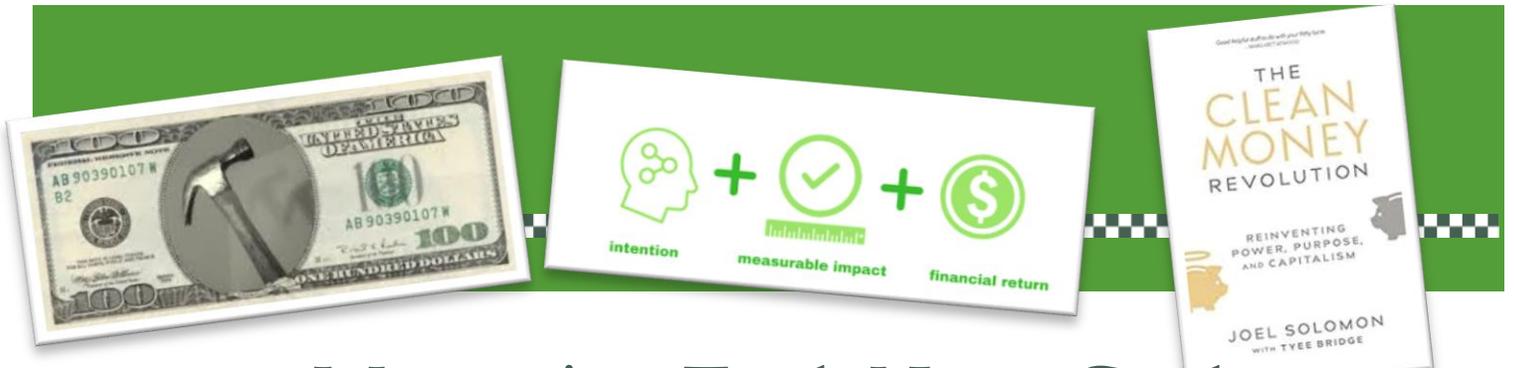
This Newsletter is generated by non-profit, Lupoff Impact Scholars Institute. Our writers are staff and our NexGenRegen Fellows – full-time college or graduate students, recipients of our awards to assist them financially with accepting low or no pay impact or social enterprise internships or projects that would help generate social or environmental impact.

NexGenRegen Cogency will feature, in article format, some of the longer form research we and our Fellows are considering or are completing. We will also chronicle some of the experiences of our funded Fellows in their Impact Investing efforts. The point is to stimulate discussion, provoke action and forward the mission to expand the Impact Investing field, by expanding its advocates, investors and professionals.

Impact Investing, investing for both financial returns and social and/or environmental impact, can drive better outcomes for people and planet.

Expanding the Impact Investing Ecosystem by
Expanding the Number of Impact Professionals

We are reviewing Fellowship applications presently, with the plan to award cash stipends to students taking impact investing and/or social enterprise internships in Summer 2019. [Please consider a generous donation.](#)



Money is a Tool, Not a Goal

Who Owns Your Money?

We are in a time of increasing awareness of the fragility of the planet and social inequities suffered by people worldwide.

This is also a time of nationalistic sentiment in many developed markets countries.

So just as we improve the collective consciousness of the world’s social and environmental challenges, those with the most capital to address these problems are turning increasingly inward, and simultaneously exhibiting greater

hostility to others outside their borders. Does this have ramifications for commitments to address, say sea level rise threatening island nations in the South Pacific?

Gratefully \$50 Trillion changes hand generationally, over the next 30-40 years, first to women and then Millennials - both who tend to care as much *how money is made* as that money is made. But do we have 30-40 years? And will our wizened financial advisers, looking

out at month-end or quarter-end, be willing or able to look out for generations?

In his important book, *The Clean Money Revolution*, Joel Solomon (also Chair of The Renewal Funds), challenges us all to take back ownership of *our* money. We can choose to direct it to impactful uses for people and planet...and we can make market or near-market returns (you choose), doing *well* by doing *good*.

Find it here: www.joelsolomon.org

Joel Solomon, *The Clean Money Revolution*



Q: What is “social change investing”?

A: Social change investing is a point of view that understands the growing urgency around profound unfairness, bias, and imbalance of resource distribution, locally, nationally, and globally. With ever more egregious tax shifting, reductions of social safety nets, increasing damage to ecology, and accelerating climate and carbon damage, capital choices are creating an increasing pressure cooker that will lead to very disastrous

outcomes. We must direct capital to solving and rebalancing long time unfairness and bias built into our economic systems, with reparational responsibility and simpler understanding of changing demographics globally.

Q: How do we measure success?

A: Impact metrics are overly quantitative. They are valuable for information and can be constructive in some situations. More often, they miss much more important topics and analysis.

Q: What are less obvious skills essential to my success in a financial career that will help people and planet?

A: The skills that are most important are often overlooked: the psychological, emotional and spiritual skills, perceptions, instincts and assumptions are true tools for most meaningful success.

Kill the Messenger!

No one loves the messenger who brings bad news – Sophocles

Are we humans predisposed to hope, to optimism? And what if something seems hopeless? Could this be why otherwise seemingly smart, sane people are unconvinced about climate change?



Humans are an optimistic lot. It would seem logical, historically, having to fight for your life daily, facing miserable conditions, dangerous beasts, unpleasant elements, and yet still, beating this all back - “taming” it, taking over and declaring ourselves, ‘top of the food chain’, replete now with creature comforts and leisure time. To fight this long battle, we had to believe “winning” was possible.

Much was done to the planet in the name of progress that we now must reverse. With climate science data in hand and once, bi-partisan and global consensus dating back to the late 70’s, how is it that *today*, some otherwise reasonable, smart and sane people aren’t entirely convinced that climate change is real?

Daniel Kahneman wrote of the human thought process in “Thinking Fast and Thinking Slow”. Fast (intuitive, emotional) requires heuristics, quick rules of thumb on what to do. A Mountain Lion is poised to strike us - run! Thinking Slow is the deliberate part, though potentially biased or flawed. With the luxury of

rumination, comes the potential of biases and other human foibles messing with our logic.

Hope, it would seem, shows up with the time to ‘think slow’. Hope may not be a foible, or produce faulty logic, but it may change rational assessment of the probability of outcomes. If humans are predisposed to hope, does *hopelessness* (even if more emotional than rational) lend to denial, to a willingness to believe the lies we want to hear? A new hope, even if just a charade?

Probabilities always add up to 100%, but it’s conceivable that a combination of 1) feeling plausibly culpable for the world’s environmental damage, 2) yet lacking a sense of control and 3) too much wealth, perceived purpose and accomplishment tied up in ways that damage people and planet, make it harder to accept the conclusions that science and math might suggest.

But don’t we also love the underdog? Absolutely, though that’s not who we are in this horse race. We are War Admiral, not Sea Biscuit. We’ve won everything, crushed all, and now, NOW, we have to start

again, as if we aren’t the champions? As if we’d not tamed the planet and shaped it to our will?

The underdog and lost causes generally, capture our imagination. People like to root for the underdog, and feel good when hearing stories of someone “beating the odds”. The big difference is that Sea



Does hopelessness lead to denial, to a willingness to believe the lies we want to hear?

Biscuit, Rudy, The Bad News Bears all overcame obstacles placed before them, not of their doing or choosing. Humans damaged the planet in the name of progress, we did this to ourselves, that makes us more like Amy Winehouse, than Stevie Wonder. We are not the mariner in Winslow Homer’s *The Gulfstream*, vessel sinking in the distance, storm coming and rough shark-filled waters seeking to swallow the battered lifeboat up.

Continued

No, we are Thurston Howell III on Gilligan's Island. We can just make another martini rather than take action. Enough pop culture analogies. You get the point.

It may be easier for some, to think of climate change as, at best, speculation, at worst, in the distance. In neither instance are the risks and damages imminent nor particularly catastrophic *for us*. All the other probable outcomes, well, better not to dwell on it. They're too awful to consider.

Lost causes have their advocates - like Saint Jude - they just aren't particularly popular, or headline-making news. Who wants to read about a problem of our own creation that may not be easily remedied?

Finally, assuming it's hard for some to accept the logical conclusions regarding climate change, particularly given the developed world's culpability and singular historical benefit, it's most likely that this *kill the messenger(!)* perspective is (or will be) decidedly a developed markets phenomena.

The ramifications of this are a denial of the science by nationalistic politicians who don't want to foot the bill or change the economic engine. The failure of say, the US to do its fair share, to stay in the Paris Accord, and instead, to be a carbon free-rider, means surely, it would be simple for China, India and the Eurozone to follow suit. Just as we need a global community to attack these issues, the worst carbon scofflaws are splintering into inwardly-focus, jingoistic sovereigns caring less about the rest of the world. Couldn't be at a worse time, but perhaps the "it's them, it's not you" mantra lets the West off the hook.

There is a ray of light. Younger generations shall inherit a planet abused by unknowing and then, indifferent generations. They also inherit that said \$50 Trillion (see "Money is a Tool, Not a Goal" above). Millennials are not wed, generationally, to some sense of self-worth attached to accomplishment tied up in ways that damage people and planet that pre-dates them.

Like the heroic underdog, climate change is the obstacle placed before them, not of their doing or choosing. If we give them the time and capital to

Just as we need a global community to attack these issues, the worst carbon scofflaws are splintering into inwardly-focused, nationalistic sovereigns caring less about the rest of the world.

fight the good fight, they just might beat the odds, and help heal the planet. If some simply cannot accept where we are and aren't capable of being hopeful given our culpability, let's equip our younger people with the knowledge, opportunity and capital necessary to have the chance to win. Then we can root for the underdog.



Lupoff Impact Scholars Institute – Our Programs & Why

STIPENDS

Through the awards granted by the Lupoff Impact Scholars Institute to our NexGenRegen Fellows, exceptional students, seeking to make a material impact on people and planet, can accept meaningful and notably impactful internships and jobs with economic support from us, in the form of stipends. Further, such awarded students, our Fellows, will assist us in driving frontier research on meaningful topics related to Impact Investing.

RESEARCH INITIATIVES

Impact Investing has many advocates whose passions may produce biases blinding them to the multitude of issues that can facilitate its mainstream acceptance. The movement shall benefit from our Fellows, with our guidance, exploring the less discussed complexities that may unlock larger institutional capital, retail investment and products, and the reduced dysfunction of current traditional investment thought.

WHY?

There is a dearth of entities dedicated to offering incentives to make such student work at minimum, marginally economic. If the diversity of our best and brightest young minds are to help drive better social and environmental outcomes for the World, private capital must help facilitate this interest and activity.



Our Theory of Change

The World's toughest problems can be solved by our young student-leaders seeking to generate sustainable solutions. Such solutions must make market sense in order to also be sustainable, as well as address particular social and/or environmental objectives. Our young people deserve financial, practical and academic support in order to confidently pursue opportunities to make a difference for people and planet.

Arable land is essential to agriculture and the World's ability to feed its population. The scale of arable land has a direct bearing on our capacity to feed people. Similarly, it is our view that we must increase the number of Impact Investing practitioners who work to ameliorate the World's ills. Human passion to address social and environmental challenges, practitioner's energy, endurance and ingenuity will power favorable impact for people and planet. Increasing our "arable" practitioners will have a direct bearing on our capacity to reduce hunger, poverty, improve upon social inequities and climate challenges. Investment in expanding the number of passionate Impact Investing practitioners can hasten and enhance social and environmental gains.

Bio-Tech Ethics and Empathy

Before the Wealthy Leave with Elon for Mars, Might they Simply "Leave" Homo Sapiens?

As the wealth divide widens both in the US and worldwide, the world's problems will affect rich and poor differently. F. Scott Fitzgerald wrote, "*let me tell you about the very rich. They are very different than you and me.*" Perhaps some of our willingness to disregard climate science, is conceivably borne by greed or a hopelessness, that makes us willing to 'believe the lies we want to hear', and may be rooted, for the very rich, in a belief that one's affluence affords an escape plan.

While the last 250 years' history tells of growing equality, a narrowing of the gap of access to services and education, as the masses were essential to power industry and the military, economic evolution and global trade are making many people less relevant to commerce, production, even warfare. Further, the present economic and political climate tests the kindredness, empathy and loyalty those that *have* (or are in power) feel toward those that *have-not* and are powerless.

And the rich are even more different today. The richest 1% own half the world's wealth. The richest 100 people together own more than the poorest 4 billion.

Concurrently, improvements in technology might make it possible to translate *economic* inequality into *biological* inequality.

Says Yuval Noah Harari in *21 Lessons for the 21st Century*, "(the rich) might be able to buy life

itself. If new treatments for extending life and upgrading physical and cognitive abilities proves to be expensive, humankind might split into biological castes." If we think the wealth gap is difficult to narrow, wait until a genuine gap in ability opens between rich and poor. The richest 1% will not only control the world's wealth but could potentially engineer a monopoly on health and longevity, beauty and creativity.

Sounds like science fiction, yes. We are talking probabilities, the varied foreseeable, probable outcomes, and this is one of them. If this bio-engineered divide is fueled by its feasibility, money to pay for it and no ethical limitation, humankind may separate into a small class of superhumans and a massive underclass of (in Harari's words) "useless Homo Sapiens".

As a wealth and biologic divide occurs, the masses will lose their economic importance and the wealthy, the government - *the entitled*, may lose their interest, their empathy for useless Homo Sapiens. How long does an elite feel obliged to care for a lesser caste, a different perceived species?

The escape plan may be to first flee obligation to have-nots, live in protected, environmentally secure and cloistered environs and then, maybe take off for Mars with Elon....Bio-Ethicists wanted.



Lupoff Impact Scholars Institute Mission Statement

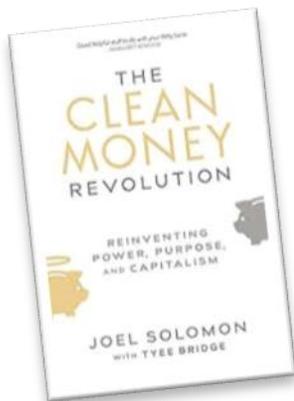
The Lupoff Impact Scholars Institute, a non-profit, fills two voids:

1. Provide economic support to enable select college students (our “Fellows”) to afford the financial trade-offs often required in order to accept Impact-oriented internships, and
2. Assist in the research of the issues that can affect the success of Impact Investing broadly, as a movement.

The *Lupoff Impact Scholars Institute* will make cash award stipends to select students - our Fellows, to support the acceptance of impact-oriented internships, produce, or assist in producing, research that provides enlightenment around the complex aspects influencing the prospect of Impact Investment going mainstream and favorably influencing the World’s social and environmental challenges; and create academically-oriented convenings to foment greater awareness of Impact Investing solutions, market participants, the issues, our Fellows and research findings.



Lupoff Impact Scholars Institute is a 501 (c) (3) non-profit institution



Reading for Extra Credit

We can make a strong recommendation for Joel Solomon’s *The Clean Money Revolution*. The book recounts Joel’s personal journey, leading him from Tennessee and the family shopping mall business, to seeking to make a difference, first via politics, then to Vancouver, and through philanthropy and impact investing.

More importantly, Joel breaks down and demystifies money. Money is not the objective, but a tool, like a hammer. His thoughts and discussion about money are nuanced, and to our thinking, important and cutting edge.

Lupoff Impact Scholars Institute

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