

**Social Capital Conference (SoCap09)**  
**Fort Mason – San Francisco**  
**September 1 - 3, 2009**

**Panel Topic:** Forecasting A Marketplace (Plenary Panel)

**Moderator:** Kevin Jones, SOCAP09, and Convener

**Panel Participants:**

Amit Bouri – Global Impact Investing Network (GIIN)  
Dan Crisafulli, Skoll Foundation  
Charly Kleissner: KL Felicitas Foundation

**Purpose:**

The purpose of the panel discussion was to attempt to forecast the future of the social capital investment industry. By making best guess predictions for the future, the industry can begin to identify the opportunities and the challenges facing the industry today.

**Design/methodology/approach –**

Each panelist gave their predictions for the future and discussion ensued around emerging themes and differences. Below are recaps of each panel contributor's approach to forecasting the social capital market place in the future (loosely defined as the next 10 years).

Charly Kleissner – (KL Felicitas Foundation)

The need for sustainability, in general, as it relates to population growth and scarcity of resources will be a major challenge in the future. Unfortunately, the scarcity of resources will open new opportunities for “maximizers” to use the resources for short-term financial gain regardless of the impact the depletion has on the greater good of the planet and those inhabit it. The goal would be to shift a substantial portion of investments into the impact sector to counter balance this dangerous short-term thinking.

Niche markets will have continued opportunity to shape the future of the mainstream investment organizations. As the economic decline is played out in the mainstream sectors and new investment solutions are being sought, leaders in the social capital investment arena can gain attention by introducing social capital investment and its related positive impact as a new investment option for traditional investment companies.

Investment behavior will go beyond “black and white”. The industry will begin to embrace an “and” approach to the investment model vs. an “or” strategy. For example, financial gain *and* social impact investing vs. financial gain *or* social impact investing.

Dan Crisafulli – (Skoll Foundation)

Investment wealth will shift toward China and India. These markets will lead the industry in terms of new capital entering the social investment sector.

The industry will continue to be challenged by linear projections. Investment behavior will need to shift to be inclusive of major mainstream funding with social impact benefits embedded in the model.

Government and the private sectors will drive how large social issues are handled. The key will be to get the social capital investment model “right” with a focus on highly scalable social impact businesses. In addition, find ways to mobilize government to “change” the rules of the game so that social factors are internalized into the market opportunities.

Amit Bouri – (Global Impact Investing Network)

Current for profit and non-profit industries will need to acknowledge their role and responsibility in how the industry is shaped in the future.

Metrics will be a key factor in mitigating industry fragmentation. Developing standards for comparable analysis and streamlining reporting will help to centralize the industry. Investor behavior will need to shift from “I can give or I can invest” to a more holistic approach. Investment rating systems will need to help educate different levels of investor opportunity allowing the potential investor to quickly understand all social and financial implications.

### **Findings –**

The emergence of private sector and government entities into the social capital investment sector is both critical for future success of the industry *and* a challenge for those already immersed in the industry. Without a social impact metric system in place the opportunities for increased capital will potentially resort back to traditional linear forecasting methods.

### **Practical implications –**

Sources of wealth generation are uncertain from a global economic perspective. How capital emerges from various global entities in relation to their value structures will have a direct impact on the success of social impact investing. In addition, whether long-term or short-term investments strategies are adopted will determine the success of improving the complex issues such as global climate change and social unrest.

### **Originality/value**

The use of prediction and forecasting can bring about discussions of the infrastructure and metrics development needed to focus the industry on those areas that will ensure its own sustainability and success for the future.

### **Key Words**

GIIRS, IRIS, Global Wealth Generation, Climate Change, Impact Investing

**Paper type:** Panel Discussion Review

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