

UN

Future of Capital

**Global Systems Change of the Financial System
Summary Overview**

Ketan Patel, Draft Document for Discussion

UN, Future of Capital Notes

- This document is a product of the ‘UN Future Capital’ summit in New York at the UN, 11th to 13th September, 2019
- It is produced as a draft for discussion for the project, working title: “Future of Capital - Global Systems Change of the Financial System”
- The authorship is temporarily Ketan Patel, as a team member, but will be owned by the core team as a whole following iteration and discussion

UN, Future of Capital Project Overview

Key Project Information (work in progress, draft)

Name (Working Title)	Future of Capital: Global Systems Change for the Common Good
Description	Determine the system design for the future of capital to create more conscious and inclusive capital and the changes required to the current systems as the world transitions to a new world order Convene critical constituencies that have the ability to regenerate and transform the system with the aim of securing their commitment
Timeline	c.1 year to the UN conference session in 2020
Meetings	Monthly calls, Quarterly meetings or calls, Ad hoc as needed
Core Team Members	Ketan Patel, Steven Lovnik, Gil Friend, Sally Ranney, DJ Martin, Lawrence Ford
Overall UN Future Capital Lead	Lawrence Ford
UN Sponsors	Will Kennedy, Chantal Line

UN, Future of Capital Project Overview

Key Project Information (work in progress, draft)

- Key Deliverables**
1. **Convene critical constituencies** that have the ability to regenerate and transform the system with the aim of securing their commitment to regenerate and transform the capital system and achieve the mission of creating a more conscious and inclusive system
 2. **Produce the key documents** that describe the system, including but not restricted to mission statement, objectives and critical success factors; the case for change; the outline investment charter for investment managers that drives changes in the corporate sector; the outline and blueprint of the future system; the plan for implementation
 3. **Define the consumer change** that allows the consumer behavioural change required to change investment flows, including but not limited to a critical technology enabler, education and media
 4. **Identify the impact on the corporate sector** including but not limited to consciousness of capital including the SDGs
 5. **Manage alignment Process** that maximises the chances of delivering the deliverables in order to meet the project objectives

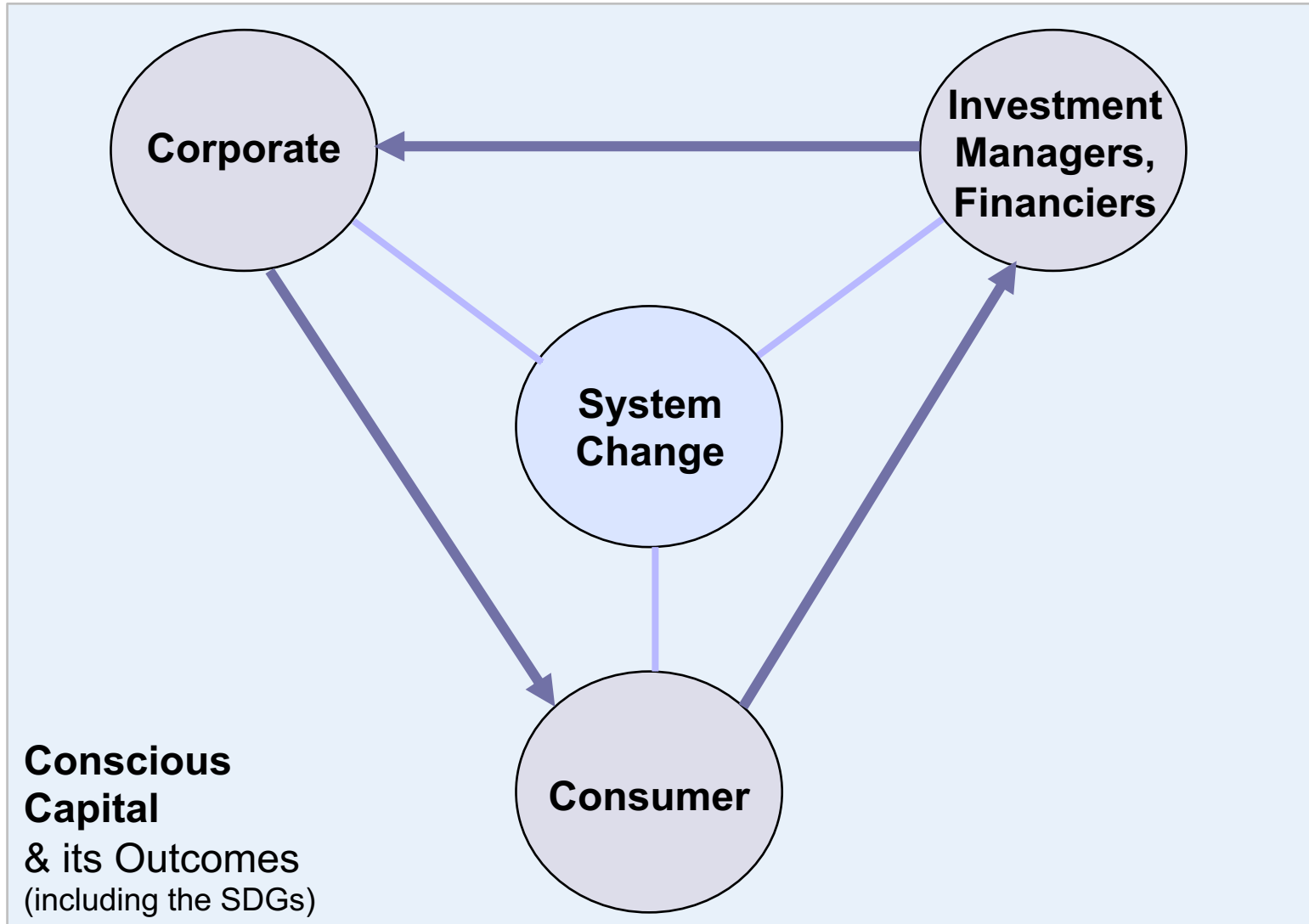
UN, Future of Capital Macro Context, Key Elements

Elements of the Macro Context Impacting the Global System and its Future Design

- **Transition of world order** clear and underway, end-game model unclear, but clear that the path forward is already disruptive
- **Capital systems challenged** having delivered material and consistent advances in scale and scope of wealth creation across the planet but with major inequities globally and within societies leading to popular dissatisfaction in 'the West', in particular
- **Rise of National Populism** as a disrupter to the global system, narrowing its universality, and is manifesting acutely in the 'West'
- **Rise of China**, currently in the stage of global expansion including resource acquisition, with a single party domestic political system and positioning in the world system and global institutions
- **US share of world economy declining**, its share of global GDP, trade, manufacturing and resources declining, which in history signals a diminished power to set the rules of engagement for the rest of the world and to manage the world system
- **Political power rivalry between the US and China rising**, manifesting at multiple levels including trade, with the US not aligning its allies
- **Asia becoming the key area accounting for c.50% of the world's population** and is home to almost half of the world's middle class with a huge population at the bottom of the pyramid that is rising and with two nations of scale, China and India, is playing an increasingly important role in matters of global geopolitics and economics
- **"Information age" replacing "Industrial age"** as the driver of value and dramatically changing political, military, industrial, economic and social engagement within and across units from families to parliaments to
- **Current carbon resources not basis of next civilisation**, having delivered likely all they can to support the current mode of human civilisation, China has secured c40-50% of critical resources to grow a consumer based economic model at home and likely to continue to secure more
- **Breakthroughs in energy and material sciences needed** to underpin rise basis of new civilisation and the architect of these likely establishes the next civilisation as the incumbent superpower; America and China leading, with the EU, Japan also investing materially
- **Major shift required in current global systems** underpinning civilisation and the shift to a new one; capital systems, a critical component without which the future cannot be financed and the present cannot be sustained; fledgling movements making headway in advances in "human consciousness" and "capital"

UN, Future of Capital Conceptual Framework for Changing the System

Critical Constituencies within the Contextual Background of Conscious Capital



UN, Future of Capital Conceptual Framework for Changing the System

Critical Constituencies, Contextual Background and Key Components

