



AdvanceDAPPS

Tel +27 87 135 0762
WhatsApp: +27 82 781 3343
info@advancedapps.io
www.advancedapps.io

Design Workshop: Smart Impact Bonds 1.0

Topic for Discussion

The underlying objective or reason for the existence of NGO's and/or the philanthropic capital given to them is to address failures that result from existing systems and structures in place globally.

While there is great potential for innovative financial solutions such as Social Impact Bonds and/or Impact Investing, etc to do an immense amount of good in the world, if we are to truly win at the game, the underlying systemic issues need to be addressed in the process too.

Daniel Schmachtenberger (<https://civilizationemerging.com/new-economics-series-part-iii/>) suggests that there is a 'need for a new economics in which new products are made from old products, obsoleting waste and environmental damage from resource acquisition, in a closed loop, upcycling materials economy.'

The reasoning behind this stems from these important questions: is it possible to have a world...

1. With lasting global peace and a for-profit military industrial complex together?
2. That optimizes human health and well-being, and has a for-profit health care industry that makes money managing illness?
3. That optimizes information fidelity and collective sense-making, and maintains a context where information offers competitive advantage, so withholding and disinforming are advantageous?
4. That creates maximum abundance and obsoletes scarcity wherever possible, and maintains a valuation system that rises with scarcity and drops towards zero with abundance?
5. That restores and protects a thriving natural world and biosphere and maintains having no balance sheet for the commons so externalizing costs and maximizing extraction are incentivized?
6. That is fair, just, and free, and maintains private ownership with inheritance, where capital increases access to more capital (inexorably widening the wealth gap) ...and access to education, healthcare, financial services, etc?
7. With good governance (collective choice making), and maintain the context of people in positions to make decisions that will meaningfully affect others, while they are themselves separate economic actors (in a competitive system that can't be win-win for all) being affected by those decisions?
8. That protects and increases the evolutionary complexity of ecology, biology, and psychology, and measures value in radically simplified, abstracted economic metrics?
9. That avoids extinction, and continues to incentivize developing exponentially increasing technological power to affect the world without developing commensurately better choice making processes for how to use that power?

Daniel also points out that 'his critiques of capitalism are because it is the dominant global economic system. I am not leading in these articles towards suggesting some previous terrible economic system (versions of socialism or communism) as an adequate solution. Obviously not. They were actually different versions of the same underlying autopoietic system that capitalism happens to be the most effective instantiation of. These critiques are also not to discount the tremendous role capitalism has played heretofore (all the pro-capitalist arguments from Von Mises and Rand to John Mackey and Peter Diamandis are fully factored). These indications of the untenability of capitalism into the future are hopefully paving the way to consider fundamentally new types of system design, never before possible because they require technology that is just now emerging.'

Hence there are 2 key issues that I feel need to be addressed during the 2 day workshop:

1. Any Smart Impact Bond and/or Impact Investment platform needs to address and integrate new economic design ideas into them so as not to propagate a broken system.
2. As a corollary to issue 1, there are a number of projects with overlapping technology and/or ideas. Is there a benefit to operating as a 'collective' or would it be better to let market forces determine winners and losers?

The above 2 issues open up a number bigger questions and complexities, but I do feel they need to be addressed if we are to create alignment with participants and make headway in putting together any form of effective impact bond design that will have the required positive effect our planet and people need.

The emergence of these new technologies, as indicated above, are providing us with an amazing opportunity to design fundamentally new types of systems, which is an opportunity we must not miss!