

# Long Finance Evidence Of Worth 2021

June 2022

## Contents

The Long Finance Programme .....	2
Programme - Financial Centre Futures.....	4
Programme - Meta-Commerce .....	5
Programme - Sustainable Futures .....	6
The Long Finance Community .....	7
Events .....	10

### The Long Finance Programme

Long Finance is a community that explores building a sustainable financial system - one which delivers the outcomes mankind needs over the long-term. We operate openly, encourage discourse and debate, and emulate scientific ideals.

The shadow of the pandemic loomed large at the start of 2021 and only began to recede as the year drew to a close. We hope that Long Finance provided a lode stone for our community as they continued to challenge the accepted paradigms of risk and reward.

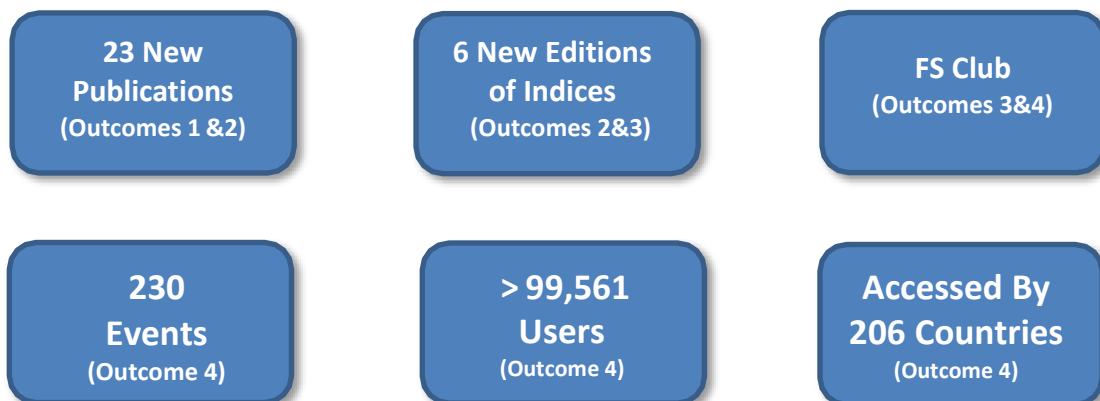
In order to maximise impact, Long Finance is free to join and resources are free to access. Organisations can also support the work of the Long Finance programme, as well as gaining additional benefits by joining FS Club.

Not-for-profit programmes, such as Long Finance, need to set practical and achievable objectives. There is strong pressure to maximise the impact of limited resources. To satisfy individuals and organisations who donate their time and money to supporting them, they must record and measure results to prove that they are meeting the objectives they have set<sup>1</sup>.

Z/Yen has worked extensively with not-for-profit clients to implement practical approaches to measuring the impact of their work. For the last eight years, we have published an “**evidence of worth report**” for our Long Finance programme. This document reviews the achievements of the Long Finance Programme over 2021. We assess the value of the Long Finance programme across the four following ‘evidence of worth’ outcomes:

1. expanding frontiers to mitigate needs;
2. changing systems to remove or release needs;
3. service delivery to meet needs;
4. communitarian to address needs for or through communal activity.

### 2021 In Summary



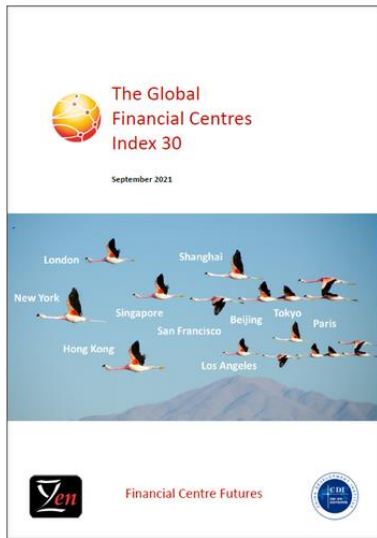
<sup>1</sup> Harris I, Mainelli M and O'Callaghan M (2001), “Evidence Of Worth In Not-For-Profit Sector Organisations”, Journal of Strategic Change, Volume 11, Number 8, John Wiley & Sons, pages 399-410.

<https://www.longfinance.net/publications/professional-articles/evidence-of-worth-in-not-for-profit-sector-organisations/>

**Programme - Financial Centre Futures**

This programme initiates discussion on the changing landscape of global finance, seeking to explore how finance might work in the future. There are two projects in this programme:

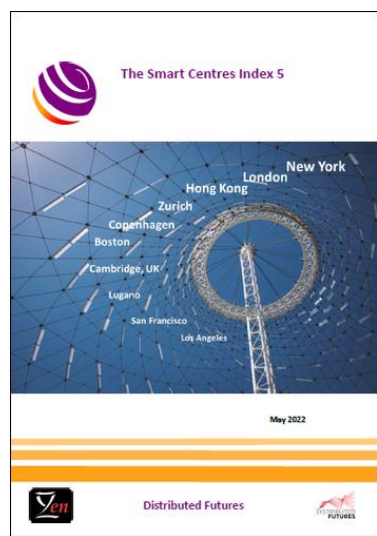
- ◆ [The Global Financial Centres Index](#)
- ◆ [The Smart Centres Index](#)



[The Global Financial Centres Index](#) is published twice per year, reaches a global audience and is the subject of significant press coverage including the Financial Times, Wall Street Journal, Financial Express, New York Times, Reuters, Bloomberg, China Daily, Al Jazeera, Soth China Morning Post, Korea JoonAng Daily, Khaleej Times, CNBC, Irish Times, and The Washington Post.

The twenty-ninth and thirtieth editions of the Global Financial Centres Index (GFCI 29 & 30) were published in March and September respectively. GGFI 30 included rankings and ratings for 116 centres. The GFCI is compiled using 146 instrumental factors. These are combined with financial centre assessments provided by respondents to the GFCI online questionnaire. GFCI 30 used 77,391 assessments from 12,862 respondents.

China Development Institute (CDI) in Shenzhen and Z/Yen Partners in London collaborate in producing the GFCI.



[The Smart Centres Index](#) was developed as part of our Distributed Futures programme. It is published twice per year and is an initiative which aims to help investors, governments, and regulators track the attractiveness of technology centres for new technologies and products by measuring how attuned centres and their regulatory systems are to attracting innovation and growth in Science, Technology, Energy Systems, Machine Learning, Distributed Ledgers, and Fintech.

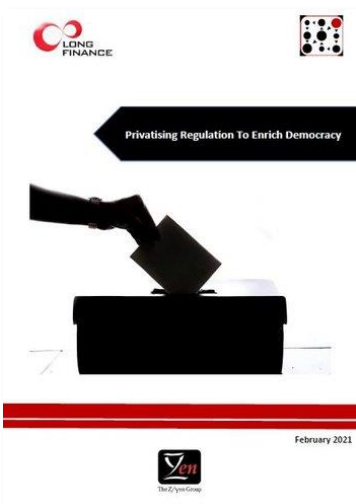
2021 saw the publication of the third and fourth editions of the index in May and November respectively. 131 commercial and financial centres were researched for SCI 4 of which 72 were included in the index. The SCI is compiled using a similar methodology as the GGFI.

### Programme - Meta-Commerce

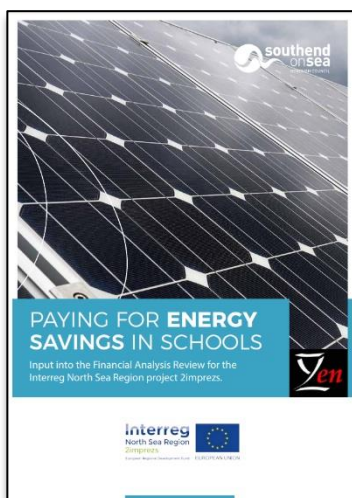
Meta-Commerce aims to identify and structure the critical questions underlying the long-term viability of the financial system. Inspired by David Hilbert's [23 questions project](#) of 1900, the Meta-Commerce programme brings together financial experts across a range of disciplines, with a view to producing a framework of questions in order to prioritise future research and direct action.

By helping to identify a set of core questions that link economics, finance and society, and that need solving in order to have a working financial system, Meta-Commerce maps the road to Long Finance and contributes to its overarching goals – to **expand frontiers, change systems, deliver services and build communities**.

2021 saw the publication of two reports:



[Privatising Regulation To Enrich Democracy](#) This short paper by Dr Shann Turnbull makes the case for a radical rethink of the way in which financial services could be regulated. Currently regulators are pursuing a "Red Queen" approach to regulation and running ever faster to stay in the same place. Complexity can only be controlled with matching complexity, which is why current models of regulation for the financial services sector are not fit for purpose. However, these problems can be overcome by introducing of polycentric self-governance systems, of the type found in sporting organisations from local to global levels. Using this approach businesses could engage with their stakeholders to become more self-regulating and self-governing. If the UK Government were to develop this approach the UK would become a role model for the world.



[Discount Rates, Defined Benefit Pension Schemes, And Their Sponsors](#) This paper examines the way that discount rates are used for the evaluation and management of pension schemes. The authors describe the role and function of a discount rate, and critique the methods presently in use for calculating discount rate determination, including those contained in the Occupational Pension Schemes (Scheme Funding) Regulations 2005 (OPS (SF) 2005). They then go on to propose a method of discount rate determination which could be used for establishing the accrued value of the liabilities of the sponsoring employer (the Contractual Accrual Rate (CAR)) which has particular merits for the management of Collective Defined Contribution schemes.



**Programme - Sustainable Futures**

Sustainable Futures focuses on ways in which the financial system supports the transition to a sustainable economic model, addressing green finance, and environmental, social and governance systems. There are currently two active projects in this programme:

- ◆ [The Global Green Finance Index](#)
- ◆ [The London Accord](#)



[The Global Green Finance Index](#) seeks to measure perceptions of the quality and depth of green financial products across the world’s financial centres and to chart the progress of financial centres towards a financial system that delivers sustainable development, and values people and the planet as much as profit. The index is updated and published twice a year. The seventh and eighth editions of the were published in April and October respectively . The eight edition of the index rated and ranked ranked 80 centres and is considered the world’s most authoritative measure of the green finance performance of financial centres.

The GGFI was initiated with the assistance of a generous grant from the [MAVA Foundation](#). This grant came to an end in 2020. The GGFI is currently supported by [Z/Yen](#). A new sponsor, or sponsors, from within the financial services sector would be welcome.



[The London Accord](#) is the world’s largest open-access library of environmental, social, and governance analytics reports. The reports have been donated by a global community of businesses, academic institutes, governments, think-tanks and NGOs. All reports on this site are available to download in full, for free, under our terms of use.

The London Accord aims to encourage better policy creation by enhancing policy-makers’ and academics’ access to reports which highlight the role that the financial services industry can play in assisting society on the road to sustainable development.

13 new reports were added to the London Accord over the course of 2021. See table one for details of the most popular London Accord reports.

**Table 1 - London Accord Downloads**

Of note, is that the long-term value of the London Accord is apparent from the range of publication dates for the top downloads:

Top 10 Downloads From The London Accord				
Organisations	Title	Categories	Year	Downloads
MSCI	Volkswagen Downgraded To CCC	Governance	2015	1453
Deutsche Bank	The Logistics of Supply Chain Alpha	Other	2015	1301
Société Générale;	Green New Deal	Environment	2009	1112
Kepler Cheuvreux	Tax Me If You Can: Game Over	Responsible Investing	2014	908
HSBC Global Research	Fragile Planet - Scoring Climate Risks Around The World	Environment, Cities	2018	879
Z/Yen	A Portfolio Approach To Climate Change Investment & Policy	Environment	2007	830
City of London Corporation, Z/Yen Group Limited	Financing Tomorrow's Cities: Meta-Analysis	Cities	2014	806
Lloyd's	Feast or Famine: Business and Insurance Implications of Food Safety and Security	Society	2013	729
Kepler Cheuvreux	Luxury Goods - Sustainability Sector Profile	Responsible Investing	2012	719
Kepler Cheuvreux	Utilities vs. Carbon: Phase II	Environment	2007	711











**The Long Finance Community**

Long Finance seeks to engage our community of financial services professionals, policy makers, academics, and interested lay-people in debate, discussion and interaction. 2021 was a challenging year and we are proud to have provided a strong online channel to allow individuals and organisations to discuss, analyse and debate society’s paths to an equitable and sustainable future.

The Long Finance website use has increased substantially from 82,000 in 2020 to almost 100,000 in 2021. This traffic has been driven by the quality of the research available, as well as innovations such as an AI-generated newsfeed focusing on the UN Sustainable Development Goals.

The past year has seen a significant rise in traffic from the UK, the USA, and Asian countries. Details of the country of origin of Long Finance users is contained in Table 2.

**Table 2 - The Top 10 Countries Accessing The Long Finance Website 2021**

Top 10 Countries		Users	Percentage Of Total 2021
	United States	15,696	15.77%
	China	11,696	11.75%
	United Kingdom	11,225	11.27%
	India	4,669	4.69%
	Hong Kong	3,941	3.96%
	South Korea	3,892	3.91%
	Japan	3,372	3.39%
	Germany	3,057	3.07%
	France	2,447	2.46%
	Canada	2,342	2.35%



The Long Finance blog [The Pamphleteers](#) attracted significant attention in 2021. Table 3 shows the top 10 most popular articles submitted by our community members

**Table 3 - The Pamphleteers 2021**

Title	Date	Authors	Downloads
Where Did All The Americans Workers Go?	04-Aug-21	Amit Sharma	2783
Edgy – Central Bank Digital Currencies Could Cut A Number Of Ways	10-Feb-21	Michael Mainelli	2661
RegistryZ To Replace Stock Exchanges?	21-Mar-21	Michael Mainelli	2163
货币的下一个进化阶段，CBDC?	10-Feb-21	Michael Mainelli	1923
ESG – Fad Or Value Creator?	04-Jun-21	Gill Ringland and Patricia Lustig	1744
How To Pay For Going Green – Bill Gates & The Green Premium	01-Mar-21	John Adams & Bob Colins	1610
Foresight In The Time Of Covid-19 – How Next?	26-Jan-21	Patricia Lustig and Gill Ringland	1593
The Great Game	19-Apr-21	Bepi Pezzulli & Amy K Rosenthal	1588
A Round Peg In A Square Hole: Untangling The UK Financial Sector From EU law	17-May-21	Bepi Pezzulli	1566
Guns, Germs, And Loans - The Pandemic And Bank Liquidity for UK PLC	04-Feb-21	Amit Sharma	1490

Long Finance runs two separate Twitter feeds to deliver news and connect to the more than 74,000 individuals in our communities of interest. Table 4 illustrates their themes.

**Table 4 - Long Finance Twitter Feeds**

Twitter Handle	Theme	Followers
<a href="#">@ZYen_LF</a>	Social, technical, economic, and political news from around the world on making technology and finance work to social benefit	785
<a href="#">@ZYen_DF</a>	The commercial ‘Think-Do’ Tank that runs the Global Financial Centres Index, Global Green Finance Index, Long Finance, & FS Club	465

**Events**

The covid-19 pandemic and bans on international travel meant that Long Finance continued its programme of online events. With the kind permission of FS Club members, Long Finance, threw open the doors to an online programme which enabled anyone to attend over **230 webinars and debates** covering topics as diverse as Artificial Intelligence, High Salinity Agriculture and Employee Share Ownership. All of these were free, and attracted a formidable line up of speakers.

**Table 5 - Top 10 Events By Attendance 2021**

Topic	Date	Attending
Launch Of Global Financial Centres Index 29	17-Mar-21	315
Sequence Risk: The Biggest Investment Risk You've Never Heard?	17-May-21	205
"Life Is Wonderful: Mandela's Unsung Heroes" - The Rivonia Tria	11-Feb-21	166
The Future of Crypto and Digital Assets	04-Feb-21	165
Psychology Of Leading A Hybrid Workforce	19-Jan-21	155
How To Be Happy	05-Mar-21	145
Cryptocurrency - The Parallel Financial World	28-Jul-21	133
A Fresh Approach To Risk Management	02-Mar-21	119
ID, A Digital Identity Service By Mastercard – Your Digital Identity, Your Choice	13-Jan-21	101
Brexit: Ending the City’s Dominance of European Finance?	04 June 2021	99

## Thanking Our Partners

We would like to express our gratitude to the FS Club Members, The China Development Institute, and Z/Yen Group for their long-standing support.

We would like to thank all the London Accord contributors for sharing research, and members of the Long Finance Advisory Board for their wise guidance. Finally, we would like to thank those in our community who contribute their thoughts and time to the Long Finance events and blogs.



**“When would we know our financial system is working?”**

is the question underlying Long Finance’s goal to improve society’s understanding and use of finance over the long term. In contrast to the short-termism that characterises today’s economic views, the Long Finance time-frame is roughly 100 years.

Long Finance aims to:

- ◆ expand frontiers - developing methodologies to solve financial system problems;
- ◆ change systems - provide evidence-based examples of how financing methods work and don’t work;
- ◆ deliver services - including conferences and training using collaborative tools;
- ◆ build communities - through meetings, networking and events.

Long Finance runs programmes exploring four major themes:

1. **London Accord** – looking at environmental, social, and governance investment research issues;
2. **Financial Centre Futures** – seeking to explore how finance might work in the future;
3. **Meta-Commerce** – aiming to identify and structure the critical questions underlying the long-term viability of the financial system;
4. **Eternal Coin** – encouraging a global discussion on the nature of money and the concept of value.

[www.longfinance.net](http://www.longfinance.net)