



Long Finance
Evidence Of Worth 2019



March 2020



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The Long Finance Programme

Long Finance grew out of the London Accord, a 2005 agreement among researchers to share environmental, social and governance research with policy-makers and the public. Long Finance explores long-term thinking across a global network of people in order to explore how we can build a more sustainable financial system. In so doing, we try to operate openly and emulate scientific ideals, whilst creating a supportive and caring community where people can question the accepted paradigms of risk and reward.

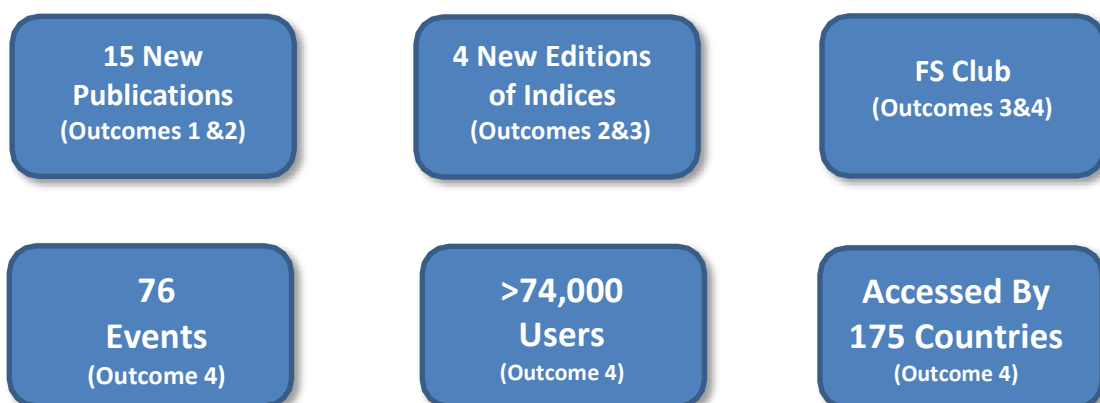
When allocating scarce resources, or when competing for external support, not-for-profit organisations and programmes need to be able to provide evidence that their work makes a difference. In particular, they must set practical and achievable objectives in their strategies and prioritise areas to maximise the impact of their 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 set¹.

Z/Yen has worked extensively not-for-profit clients to assist them in implementing practical approaches to measuring the impact of their work¹. Through this, we understand the value of providing evidence of worth for the Long Finance programme across the four following 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.

This is why, for the last seven 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 2019.

2019 In Summary




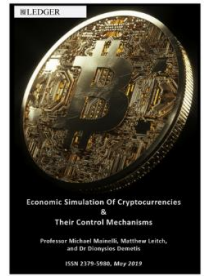

¹ Harris I, Mainelli M and O'Callaghan M 2001 Evidence Of Worth In Not-For-Profit Sector Organisations Journal of Strategic Change, Volume 11, Number 8, John Wiley & Sons, pages 399-410.

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

Programme - Distributed Futures

The distributed futures programme stimulates discussion, delivers research and holds events which focus on the impacts and uses of smart ledgers on society, technology, economics and politics, with a view to expanding frontiers, changing systems, delivering services, and building communities.

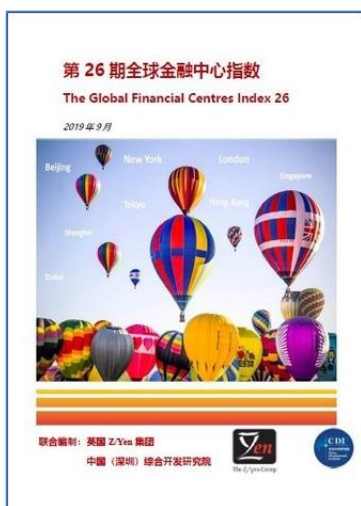
Working in partnership with key stakeholders, over the course of 2019 three major research reports were published bearing the Distributed Futures mark, and smart ledgers and fintech were the themes of 29 of our seminars, webinars, conferences, and lectures.

Cover	Title	Author	Sponsor
	<u>Economic Control of Alternative Currencies - Interactive Simulator</u>	Matthew Leitch	The Cardano Foundation.
	<u>Economic Simulation Of Cryptocurrencies & Their Control Mechanisms</u>	Professor Michael Mainelli, Matthew Leitch, Dionysios Demetis	Ledger Journal
	<u>To Be, To Have, To Know: Smart Ledgers & Identity Authentication</u>	Hugh Morris	The Cardano Foundation.

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 currently four active projects in this programme:

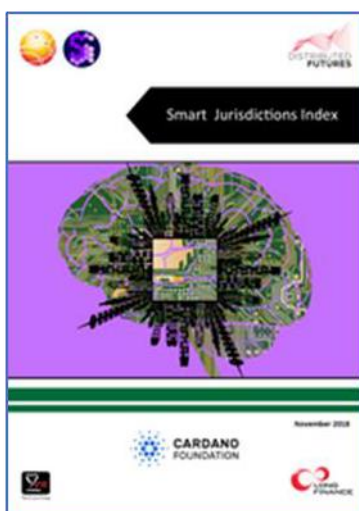
- ◆ [The Global Financial Centres Index](#)
- ◆ [The Smart Centres Index](#)
- ◆ [The Global Green Finance Index](#)
- ◆ [Vantage Financial Centres](#)



[The Global Financial Centres Index](#) reaches a global audience and is the subject of significant press coverage including the Financial Times, CNBC, Irish Times, Wall Street Journal, and The Washington Post.

The twenty-sixth edition of the Global Financial Centres Index (GFCI 26) was published on 19 September 2019. GFCI 26 provides evaluations of future competitiveness and rankings for 104 major financial centres.

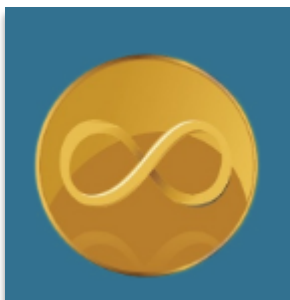
The GFCI is compiled using 134 instrumental factors provided by third parties including the World Bank, the Economist Intelligence Unit, the OECD and the United Nations, combined with 32,227 assessments from 3,360 respondents from around the world



[The Smart Centres Index](#) is an initiative from Z/Yen, sponsored by the Cardano Foundation as part of the Long Finance Programme. The SCI is a novel approach to tracking the relative preparedness of jurisdictions, at national and state levels, in welcoming Smart Ledger technology in business, finance and government operations. It is intended to provide a starting point for potential investors to examine where they might wish to explore business opportunities; and for governments and regulators to explore their competitiveness, and the stance which they wish to take in welcoming or balancing the opportunities that this technology has to offer. Initial research on the concept of the SCI was published in 2018, systems were established for its production were established through 2019 and the first edition of the SCI was launched in 2020.

Programme - The Eternal Coin

The Eternal Coin programme aims to initiate a global discussion on the nature of money and the concept of value. In 2019, Long Finance research embarked on a new project - Economic Control of Alternative Currencies – Interactive Simulator.



Economic Control of Alternative Currencies - Interactive Simulator: This project aims to develop an economic simulator capable of simulating characteristics of hypothetical alternative currencies (e.g. cryptocurrencies), their users, environment and exchanges. This tool will be made available free of charge for online use. The project supports the design, development, control, and regulation of alternative currencies, with the goal of making them genuinely useful and competitive as currencies and electronic payment systems, in the long term.

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.

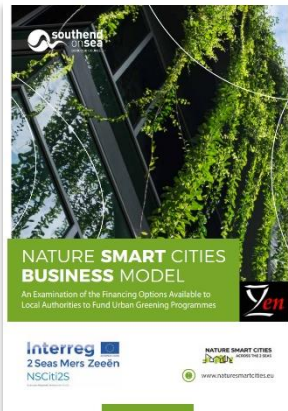
By helping to identify a set of core questions that link economics, finance and society, and that need solving in order to have a working financial system, Meta-Commerce maps the road to Long Finance and contributes to its overarching goals – to ***expand frontiers, change systems, deliver services and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

2019 saw Meta-Commerce focus on “green finance” two reports gathered significant attention:



Policy Performance Bonds For ESG & Climate Change – A Primer:

This report provides a basic primer for policymakers on the concept of policy performance bonds. It details how they can be used to deliver on commitments made under the Paris Agreement, and how, if the bonds are actively traded, simple derivatives would allow potential investors in low carbon projects or technologies to obtain a hedge against government risk without having to physically purchase the government bond itself.



Nature Smart Cities Business Model: An Examination of the Financing Options Available to Local Authorities to Fund Urban Greening Programmes This report was commissioned by Southend Borough Council and Imperial College as part of a European funded project designed to enhance the development of green infrastructure which will combat the impacts of climate change and encourage sustainable economic growth. The report examines the financing options available to local authorities across Europe and explores some of the key challenges involved in monetising the benefits that arise from green infrastructure.

Programme - Sustainable Futures

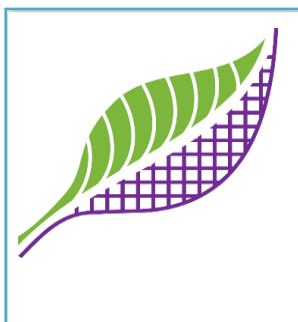
Sustainable Futures focuses on ways in which the financial system supports the transition to a sustainable economic model, addressing green finance, and environmental, social and governance systems. There are currently two active projects in this programme:

- ◆ **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 GGFI was sponsored by the **MAVA Foundation** and produced by **Z/Yen**. The index is updated and published twice a year. The fourth edition of the index, which was launched in Paris ranked 64 centres based on 4220 ratings from 735 individuals, combined with 132 instrumental factors.



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.

In 2018, nine new reports were added to the London Accord. Several new contributors joined the London Accord, including the Imperial College and Finance Watch.

The Farsight Awards have been run by Z/Yen since 2006, and seek to reward the best individual piece of analysis done by an investment research institution which integrates traditional financial analysis with longer-term environmental, social & governance issues. Seven of the reports submitted over the 2018/19 period were shortlisted for the Farsight Awards, which were open to judging in February 2019.

Entries to the awards are drawn from the previous year’s submissions to the London Accord. The judging panel convenes between December and January each year to chose a winner and highly commended reports, based on the criteria of originality, readability & clarity, sophistication & depth, as well as financial usefulness.

Table 1 Winning And Shortlisted Entries 2018/19

Place	Contributor	Title
Winner	HSBC Global Research	<u>Fragile Planet - Scoring Climate Risks Around The World</u>
Highly Commended	FAIRR	<u>Plant-Based Profits: Investment Risks & Opportunities In Sustainable Food Systems</u>

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.

The Long Finance Website continues to evolve and engage our community. Over the last year traffic to the website has increased substantially- from 45,000 users in 2018 to more than 75,000 in 2019. 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. This tool is created by extracting forecasts from news, social media and the web using AI developed by ForeKnowledge and text analytics from Intellexer. Users can sign up for bespoke weekly bulletins on SDG topics.

The past year has seen a significant rise in traffic from the US and Asian countries. Detail 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

Top 10 Countries		percentage of total 2019 (2018)
	United States	20.21% (14.77%)
	United Kingdom	12.45% (19.49%)
	China	7.34% (4.36%)
	Japan	5.73% (3.70%)
	Hong Kong	4.66% (4.54%)
	Taiwan (Republic of China)	4.04% (0.1%)
	South Korea	3.85% (0.15%)
	India	3.36% (2.48%)
	Germany	3.19% (4.22%)
	Singapore	2.81% (0.1%)

Long Finance runs three separate twitter feeds, to deliver news and connect to the more than 74,000 individuals who use Long Finance content and form our communities of interest. Table three illustrates their themes.

Table 3 Long Finance Twitter Feeds

Twitter Handle	Theme
@ZYen LF	Social, technical, economic, and political news from around the world on making technology and finance work to social benefit
@ZYenResearch	Z/Yen research reports and events
@ZYenLF	Financial Centre Futures themed research and events

The Long Finance blog [the Pamphleteers](#) attracted significant attention. Table 4 shows the top 10 most popular articles submitted by our community members in 2019

Table 4 The Pamphleteers 2019








Title	Date	Author	Downloads
The True US Unemployment Rate, March 2019	08-Aug-19	John Komlos, University of Munich & Larry Allen, Lamar University	3371
Shifting The Overton Window	10-Sep-19	Patricia Lustig & Gill Ringland	2863
Jains, Wealth, And Ethics - Lessons For A Godless Capitalism	01-Apr-19	Sam Whimster	2482
The Maginot Line: iNED Defence Of Value?	01-Mar-19	Sunil Chadda & JB Beckett	2010
Four Things Even Your Accountant Doesn't Know About Central Bank Balance Sheets	27-Feb-19	Robin Darbyshire	1611

<u>Holacracy - How Extinction Rebellion's Success In Organising Protests Is Based On Management Science</u>	01-Nov-19	Shann Turnbull & James Guthrie	1540
<u>Policy Performance Bonds For ESG & Climate Change – A Primer</u>	01-Jul-19	Michael Mainelli	1536
<u>The Power Of Choice & Economic Models</u>	03-Jan-19	Patricia Lustig & Gill Ringland	1447
<u>Collision Of The Immutable K?</u>	15-Oct-19	Jon Beckett	1374
<u>Artificial Intelligence And Automation- Confusion In Terminology Has Very Practical Consequences!</u>	31-Mar-19	Bob McDowall	1331
<u>Thoughts On Digital Fiat Currencies From An Accountant's Perspective</u>	10-May-19	Robin Darbyshire	1228

Events

In 2019, Long Finance hosted or participated 75 events around the world, including contributions to almost a dozen international conferences and seminars organised by other institutions. Details are listed below.

Date	Partners	Title	Event Type
11 December 2019	 CSFI Centre for the Study of Financial Innovation	CSFI: Effective Risk Management - Guidance For Boards	Panel Discussion
10 December 2019	 Z/Yen Group	Get More From Your Data With Predictive Analytics: Half Day Course	Training
26 November 2019	Loughborough University & Willis Research Network	Artificial Intelligence And Next-Generation Insurance Services Conference 2019	Conference
19 November 2019	 FS Club	Identity & Anti-Money-Laundering (AML) Processes	Special Event
13 November 2019	 Z/Yen Group	Crash Course on Smart Ledgers (Blockchains)	Training
12 November 2019		The CMCE Consulting Research Conference	Conference
6 November 2019		Simplifying Entity Identification for the Digital Age	Seminar
6 November 2019	 Z/Yen Group	Get More From Your Data With Predictive Analytics: Half Day Course	Training

5 November 2019	Hogan Lovells	Blockchain Summit - Blockchain Policy Around The World	Panel Discussion
30 October 2019		FinTech In Global Financial Centres [®]	Conference
23 October 2019	European Bank For Reconstruction & Development, Queen Mary Centre For Commercial Law Studies	Fintech: Business Opportunities & Key Tech, Legal & Regulatory Challenges	Seminar
17 October 2019		Security Forward Risk & Intelligence Forum	Forum
16 October 2019		The Future For Property Trading Platforms [®]	Webinar & Event
11 October 2019		Crash Course on Smart Ledgers (Blockchains)	Training
9 October 2019		"Connected Cities in a Disconnected World?" A Distinguished Panel Discussion Chaired By Christian May, Editor of City AM, In Association With The Financial Services Group Of Livery Companies	Panel Discussion
3 October 2019		Central Bank Independence & The Future Of The Euro [®]	Webinar & Event
3 October 2019		Get More From Your Data With Predictive Analytics: Half Day Course	Training





1 October 2019	Mondo Visione	MondoVisione Exchange Forum 2019 - Innovation & Transformation	Forum
30 September 2019	 FS Club	Victory Or Death! - A Book Launch And Presentation By Patrick L Young At the Guildhall Library	Book Launch And Presentation
27 September 2019		Launch Of The Global Green Finance Index 4, Luxembourg	GGFI Launch
23 September 2019	 Z/en Group	Crash Course On Smart Ledgers (Blockchains)	Training
19 September 2019		Launch Of Global Financial Centres Index 26, London, Shenzhen	GFCI Launch
18 September 2019	 FS Club	Hybrid-Cloud Technology For Financial Services	FS Club Keynote Dinner
12 September 2019	 Z/en Group	OECD Global Blockchain Policy Forum 2019	Forum
10 September 2019	Rise Presents - sponsored by Barclays	The Workforce Of The Future	Seminar
4 September 2019	 FS Club	Corporate Actions: The Case Of The Missing Billions	Seminar
2 September 2019	37th International Symposium On Economic Crime, Jesus College, University Of Cambridge	Fighting Economic Crime - A Shared Responsibility!	Symposium

29 August 2019		Time For Busan	Conference
14 August 2019		Building Robust Investment Strategies	Lunchtime Seminar
14 August 2019		Crash Course On Smart Ledgers (Blockchains)	Training
18 July 2019		The Quantum Threat (& Opportunity) To Financial Services	Breakfast & Presentation
17 July 2019		Security Forward Risk & Intelligence Forum	Forum
11 July 2019		Sustainable Finance For Breakfast 19 - The Global Green Finance Index	Breakfast
10 July 2019		The Past & Future Of Pensions	Seminar
10 July 2019	Lloyd's Innovators' Group, Lloyd's Of London	À La Recherche Du Temps Trouvé - Product Development Discussion	Seminar
4 July 2019		Get More From Your Data With Predictive Analytics: Half Day Course	Training
1 July 2019		Unlocking Capital Flows Through Sustainable Finance Centres: Global Green Finance Index	Seminar
27 June 2019		Dinner: Smart Centres Index: The Environment For The Development Of New Technology	Dinner

27 June 2019		Not Just Good, But Good For Something – The Role Of Smart Ledgers In The Management Of Environmental, Social & Governance Issues	Webinar
17 June 2019		Gresham’s Law – An Evening With Presentations, An Exhibition & Book Signing At Guildhall Library	Presentation, Book Signing & Exhibition With Webinar
17 June 2019		Crash Course On Smart Ledgers (Blockchains)	Training
11 June 2019		The Future Of Financial Trade Associations	Seminar
4 June 2019	Data Protection Forum	Data Protection Forum - June All Member Meeting	Forum
29 May 2019		FCA Sandbox: An Innovation Beacon	Seminar
21 May 2019		Get More From Your Data With Predictive Analytics: Half Day Course	Training
15 May 2019		Crash Course On Smart Ledgers (Blockchains)	Training
15 May 2019		Institutional Trading Liquidity	Seminar
8 May 2019		Cyber-Insurance: The Current State Of Play	Round Table
1 May 2019		Belt, Road & Bridge: Creating New China-Europe Connections	Dinner

1 May 2019		Belt, Road & Bridge: Creating New China-Europe Connections	Conference
18 April 2019		Get More From Your Data With Predictive Analytics: Half Day Course	Training
16 April 2019		Getting Smarter About Scandals In The City	Lecture
15 April 2019		Unlocking The Crypto Chain For Internal Auditors - The Reality Of Cryptocurrencies & Their Audit Implications	Webinar
11 April 2019		Security Forward Risk & Intelligence Forum	Forum
10 April 2019		Crash Course On Smart Ledgers (Blockchains)	Training
8 April 2019		Unlocking The Crypto Chain For Internal Auditors - Smart Ledgers & Security	Webinar
3 April 2019		Cyber-Catastrophe Insurance-Linked Securities On Smart Ledgers	Seminar
1 April 2019		Unlocking The Crypto Chain For Internal Auditors - Introduction To Blockchain	Webinar
27 March 2019		Launch Of The Global Green Finance Index 3, Paris	Report Launch
23 March 2019	SOAS - School Of Oriental & African Studies, University Of London	21st Jaina Studies Workshop: Jainism & Money: "Money, Wealth, Ethics"	Workshop

22 March 2019		To Be, To Have, To Know: Smart Ledgers & Identity Authentication??	Webinar
21 March 2019		AI & The Road To Personalised Finance	Dinner & Discussion
21 March 2019	City & Financial	The 4th UK Financial Services BREXIT And Beyond	Conference
14 March 2019	 	Intelligent Defence – Maximising Smart Power and Public Value	Forum
13 March 2019		Crash Course On Smart Ledgers (Blockchains)	Training
11 March 2019		Launch Of Global Financial Centres Index 25, Dubai	GFCI Launch
5 March 2019		The Global Green Finance Index: When Is Finance Ever Likely To Save The Planet?	Seminar
21 February 2019		Why Do We Need Standards For Smart Ledgers & How Could The Government Help?	Seminar
13 February 2019	IFS Ireland	European Financial Forum, Dublin	Conference
12 February 2019		To Be, To Have, To Know: Smart Ledgers & Identity Authentication??	Report Launch
30 January 2019		An Update On EU Financial Services Legislation & Associated Initiatives?	Seminar

18 January 2019		Launch Of 'Financial Centres That Will Become More Significant', Gujarat	Launch
10 January 2019		Liquidity Or Leakage: Plumbing Problems With Cryptocurrencies???	Webinar
8 January 2019		'RUDQ?' Digital Skills: Crisis Or Opportunity?	Lecture
8 January 2019		Lord Mayor's Gresham Event - 'RUDQ?' Digital Skills: Crisis Or Opportunity?	Webinar

Thanking Our Partners

We would like to express our gratitude to the Mava Foundation, Finance Watch, The China Development Institute, Gresham College, 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