



HONEYBEE PUBLICATION #38
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REPORTS FROM THE FIELD

Hello Honeybees and happy September! I've always loved the back to school season – the infinite possibility of fresh blank notebooks, the warm embrace of sweaters and flannel, the smell of crunched-up leaves, the taste of funnel cakes at football games... it's a time of great energy. Time for harvest.

In this month's issue we are sharing others' bounty with you – highlights of external research that has been especially helpful to us in recent months. You'll find highlights from complexity science, impact investing, biomimicry, and business management, all pre-screened for being provocative or groundbreaking or especially relevant in some way.

I must admit, to publish this issue we had to get over the fear of being unoriginal. What good does it do to repeat what's already been said? Then I looked at the mountain of un-read material on my desk and realized how much I value the time to be able to get past data-processing and on to thinking and synthesizing. By curating these inputs, we hope to help you combine these highlights and insights with your own, so that together we approach something beyond mere information – something closer to wisdom.

*The endless cycle of idea and action,
Endless invention, endless experiment,
Brings knowledge of motion, but not of stillness;
Knowledge of speech, but not of silence;
...
Where is the life we have lost in living?
Where is the wisdom we have lost in knowledge?
Where is the knowledge we have lost in information?*

-T.S.Eliot

PART I: ATTENDANCE

HOW TO BE A GOOD LEARNER: 10 RULES FOR STUDENTS, TEACHERS, AND LIFE

As we plunge into this season of learning, let's pause to reflect – what does it take to be a good learner? To move into more complete engagement? We often default to focusing on exams and outputs --- but these rules illuminate the roles of about trust, reciprocity, and creation. I especially like Rule 8:

**Don't try to create and analyze at the same time.
They're different processes.**

Here is the complete, wonderful summary from the terrific Brainpickings site, with thanks to Honeybee Nicole Z. for sending this along!

<http://www.brainpickings.org/2012/08/10/10-rules-for-students-and-teachers-john-cage-corita-kent/>

PART II: OUR LESSONS

Below are highlights from some of the most valuable external research we've found over the past 6 months.

CAPITAL INSTITUTE: REGENERATIVE CAPITALISM REPORT

What's beyond sustainability? Regeneration!

Earlier this year, the Capital Institute released its long-awaited white paper describing a system of regenerative capitalism, noting that the purpose of a Regenerative Economy is to *promote and sustain human prosperity and well-being in an economy of permanence*. Improvement, not just maintenance.

Here's what I really like about this report:

- It bridges between the human elements of purpose and passion and the scientific elements of economy and ecology.
- It illuminates bottom-up characteristics of healthy systems, rather than working backwards to engineer solutions rooted in the status quo.
- It provides vivid examples of these ideas already in action – beyond a theoretical framework.

We have been longtime fans of John Fullerton and the Capital Institute's collaborative community; this report confirms and extends our admiration for the group's essential work. <http://capitalinstitute.org/wp-content/uploads/2015/04/2015-Regenerative-Capitalism-4-20-15-final.pdf>

DELOITTE: THRIVING IN A WORLD OF ECOSYSTEMS

One of the strongest themes we've embraced at Honeybee in recent years is the idea that we're moving from lines to webs in terms of our activity and analysis. More accurately, the web-like ecosystems in investing, business, and life have existed all along, but our tools and language are now finally starting to catch up. These sorts of transitions can be painful and even threatening, but Deloitte's report dives into this reframing in wonderful detail, highlighting the opportunity that's inherent in these more accurate "mental models".

<http://www2.deloitte.com/us/en/pages/operations/articles/business-ecosystems.html>

TERRAPIN BRIGHT GREEN: TAPPING INTO NATURE The Future of Energy, Innovation, and Business

One challenge for those of us who are interested in biomimicry and bioinspired innovation is that it's a dispersed community, and hard to know where the pockets of expertise lie. This publication from Terrapin, leaders in integrated design, explores nine key topic areas and highlights some of the key bioinspired developments within each – an invaluable map of this emerging territory.

<http://www.terrabinbrightgreen.com/report/tapping-nature/>

OUR QUIZ

IMPACT INVESTING, SUSTAINABILITY, AND THAT ESG STUFF... ARE YOU SURE IT'S FOR REAL?

Our work is firmly focused on the "offense" case for these more integrated approaches to investing – that is, do it because it is better investing. In this regard we are especially glad to see thoughtful work and increased focus from well-respected groups like Empirical Research.

Recognizing that sometimes fear is a great motivator as well, here is the "defense" side of the equation – that is, do it because all of the smart places are doing it and you'll lose out if you don't. There is increasing urgency to the FOMO (Fear of Missing Out) argument; here are just a few pieces of evidence that more conventional leaders are increasing their commitment to sustainable investing, impact investing, ESG integration, even regeneration.

Here are some indicators that all investors need to be aware of these fields and their development:

FROM GOLDMAN:

Goldman Sachs Gathers Pace on Sustainable Investing

On the acquisition of Imprint Capital: "this is critical to address the needs of our clients."

http://newsletters.briefs.blpprofessional.com/document/PYfjJ4KvXVHjLt-GB8ONAQ--_4az1c1813eezmvctet/front

FROM BLACKROCK:

BlackRock to Ramp Up Impact Investing

<http://www.reuters.com/article/2015/02/09/us-blackrock-impact-exclusive-idUSKBN0LD18W20150209>

BlackRock also partnered with Ceres on this report that examines investor engagement with ESG across a full range of settings. We especially appreciate the “asking the right questions” section at the end, which highlights some key issues by business sector.

<http://www.ceres.org/resources/reports/21st-century-engagement-investor-strategies-for-incorporating-esg-considerations-into-corporate-interactions/view>

FROM BAIN:

Ex-Governor Patrick to Run New Bain Unit

<http://www.wsj.com/articles/massachusetts-ex-gov-patrick-to-run-new-bain-unit-1428973279?mod=djemalertMARKET>

FROM THE UNITED NATIONS:

Fiduciary Duty in the 21st Century

“The purpose of this report is to end the debate about whether fiduciary duty is a legitimate barrier to investors integrating environmental, social, and governance issues (ESG) into their investment process.... Failing to consider long-term investment value drivers, which include ESG issues, in investment practice is a failure of fiduciary duty.” (emphasis added)

If you think this is just another bureaucratic report, check out the list of UNPRI signatories. This is slow-moving, maybe, but a Very Big Deal.

<http://www.unep.org/inquiry/>

<http://www.unpri.org/signatories/signatories/>

FROM HARVARD:

Good for Harvard, Good for the World: Why HMC Embraced ESG

Harvard will also demand greater details from the managers it employs and other services providers about their policies and approach to ESG issues.

<http://www.top1000funds.com/profile/2014/10/28/good-for-the-world-why-harvard-has-embraced-esg-with-a-passion/>

OUR RECESS:

POPE FRANCIS & DAVID FOSTER WALLACE

I've been thinking a lot about context lately – the challenges noted in David Foster Wallace's *This is Water*. It is so hard to see the water in which we are swimming – and everything else is thereby distorted. But that water, it's life – and awareness of it – not dismissal or ignorance - is essential.

These challenges of context have been easy to see in conjunction with Pope Francis' visit to the United States. Of course there has been a wave of media commentary, much of which has reduced a series of nuanced and vibrant elements into labels like “anti-capitalist” and “liberal”. As with all labels, these serve to squash out the most interesting bits.

It would be easy to dismiss the labeling as mere laziness or punchy media packaging, but there is something more at work here. These shortcuts reflect us being stuck in our own contexts. We are so rooted in our own professional and political homes, and so out of practice with thinking beyond them, that it is hard to read the Pope's writings – or anything outside of our own fishbowls – without the distortion of our unrecognized context. We don't even have words for the other possible contexts.

In short, the Pope is not President; he's a priest. That's *his* water. Start there.

On a personal level, as a reader, I love that the papal encyclicals have the heft of academic research, with a dash more poetry and majesty and ambition. Here are just a few lines from the introduction, to tempt you to read further:

Rather than a problem to be solved, the world is a joyful mystery to be contemplated with gladness and praise...We have forgotten that we ourselves are dust of the earth; our very bodies are made up of her elements, we breathe her air and we receive life and refreshment from her waters...There can be no renewal of our relationship with nature without a renewal of humanity itself.

There can be no ecology without an adequate anthropology.

http://w2.vatican.va/content/francesco/en/encyclicals/documents/papa-francesco_20150524_enciclica-laudato-si.html

CLASS DISMISSED!

For man, autumn is a time of harvest, of gathering together.

For nature, it is a time of sowing, of scattering abroad.

- Edwin Way Teale, *Naturalist*