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SHAPING THE POST-CRISIS AGENDA

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A New Strategy for Social Investment

What is the important issue of Philanthropy and Social Investment?

We can find four issues we are facing, such as Decreasing donation by financial crisis, Lack of a sustainable sponsor, Difficulty in meeting donor and donee each other and Difficulty in finding authentic social entrepreneur.

What can we consider to solve above issues?

We should consider the solution including next four points -- **Building philanthropy in the business** model, Securing donor who isn't influenced by the economy, **Developing a platform** to connect donor to donee and **Gathering money capital and knowledge capital** from individual and corporation all over the world to realize sustainability. In other words, we have to create a new system of social investment.

What is one of the best solutions?

It is "WEF Bank". WEF Bank is an organization to promote the evolution of social investment, which means social investment should include not only money capital but also knowledge capital such as knowledge, relation, trust, brand and culture capital.

Therefore **WEF Bank has two functions, "WEF Currency Bank" and "WEF Knowledge Bank"**.

What is WEF Currency Bank?

This is a bank **to change "corporate currency" into the fund for social investment**. Corporate currency is a currency issued by private company to promote their products or services. Typical examples of this are Mileage point of Airline, Point program of credit card and Shopping point of supermarket. In Japan, corporate currency equivalent to 4.5 billion dollars was issued in 2005. And 20% was not used. According to the data, the potential size of WEF Currency is 900 million dollars in Japan.

In other words, WEF Currency Bank makes **corporate currency change into "WEF Currency"** if consumer donates corporate currency to WEF Currency Bank. In addition, important characteristic is that consumers can pick social entrepreneur that matches their interests and passions to donate their corporate currency.

What is the strategy of WEF Currency Bank?

It is the strategy **to change the purpose of corporate currency and to realize the evolution of corporate currency**. In other words, it is the strategy to connect "money of profit company" and "mind of goodwill consumer".



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There are some prototype examples of WEF Currency at present. First is Global Giving in Washington D.C.. In their system, donor can choose NPO to whom they want to donate among many NPOs all over the world. Second is the Receipt Voting System in Japan. In which, consumer can choose a box of NPO and put his/her receipt in it. Then supermarket will donate 1% of the receipt price to the NPO. Third is the Point Donation System. In this system, consumer can ask company to donate their points to the NPO selected by the company.

What is WEF Knowledge Bank?

This is a bank **to promote “knowledge investment” to social entrepreneurs.**

For example, global company can provides social entrepreneurs with market information, business know-how, marketing channel, social trust, corporate brand and so on. On the other hand, there will be many kinds of returns to the global company from the social entrepreneurs for the knowledge investment. We can say they are “knowledge return”, such as developing many networks with grassroots people, obtaining knowledge and wisdom of people, realizing “pro-sustainable development”, creating trust and brand as a goodwill company, and fostering culture as an open and innovative company through the collaboration with social entrepreneur.

What can be the important system of WEF Knowledge Bank?

It is “Social Alliance Forum”. This is a forum to promote “ Social Alliance” not “Business Alliance”. **Social Alliance is the best strategy to promote the emergence of “knowledge investment” between global companies and social entrepreneurs.**

Does WEF Bank satisfy the consideration to solve the Social Investment issue?

Yes, of course. Donation by company doesn't depend on their profit because corporate currency is built-in business model. Donation amount is also stable because individual consumers are very diversified by using many kinds of corporate currencies in the world. In addition it is easy to find authentic social entrepreneur in the world at WEF Bank because WEF can list up them by using GAC network. Finally everybody can donate not only corporate currency but also knowledge capital through the WEF Knowledge bank.

What will happen with WEF Bank?

Co-evolution of global company and social entrepreneur will happen. It is that **the evolution of global company into social enterprise with Corporate Global Citizenship.**

Note: This “WEF Bank Strategy” was born in collaboration with Dr. Hiroshi Tasaka who is the co-founder of Think tank SophiaBank and also the member of Social Entrepreneur council in GAC.