

The Future of Wall Street: An Investors' Perspective from the Intersection of Capital, Philanthropy, Business, and Human Evolution

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Abstract

The future of Wall Street is tightly connected to the future of investing, economics, and business. These are linked to the evolution of democracy, planetary geopolitics, culture, and of course the environment. Yet, all of them are intimately dependent upon the level of consciousness of the human agents involved in all of the above. By applying Ken Wilber's Integral Model in investing, the research presented in this paper argues about the following major trends that have been identified: (1) evolution of investing from traditional investing to integral investing, (2) goals convergence of traditional and philanthropic capital, (2) congregation of objectives between traditional and social business, (3) investors' evolution toward world-centric or later stages of human development. Moreover, this paper contends that a certain percentage of investors are now significantly contributing to the resolution of the current crises. They achieve that by departing from traditional investing focused on profit-only toward integral investing, which provides the means and metrics for the parity of people, planet, and profit. Thus, the paper asserts that the future of investing is integral investing with self-actualizing investors as its agents. Integral investing is based on the essence of all existence, the interior as well as exterior reality. It is a reality in which high financial returns are inseparable from a high social, environmental, cultural, and an ethical impact, in addition to individual happiness and self-actualization. Therefore, the future of Wall Street is dependent upon the sustainable implementation of the parity between people, planet, and profit in investing, economics, business, and politics.

Field of Research: Economics, Behavioral Economics, Investing, Business, Ken Wilber, Integral Model, Joseph Campbell's Hero's Journey.

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Introduction

The 2010 Global Wealth Report of the Boston Consulting Group (BCG) indicated that “global wealth staged a remarkable comeback in 2009 after its steep decline in 2008” (Becerra et al., June 2010, p. 5). As a result, the total Assets under Management (AuM) increased by 11.5 percent to \$111.5 trillion and will presumably continue to grow by approximately 6 percent per annum until 2014. According to the above research, there are two main reasons directing this recovery (1) an intensified flow of assets and (2) the changed investment habits of wealth owners who are increasingly losing faith in institutional wealth managers. Wealth owners are thus becoming more sophisticated investors by making investing a more intimate matter and by getting directly involved with their investments.

Based on my own experience as a private investor over the past 17 years, I concur with this assessment although it represents only the tip of the iceberg of the current changes in this field. Therefore, this paper focuses on the hidden reasons behind the significant deviations that are triggering the new investors’ behavior. The reasons are unquestionably manifold, however, preliminary research (Bozesan, 2010; Bozesan, 2011; Kelly, 2010, 2010a, 2010b), suggests that an increasing number of wealth owners in the Western world have (a) become more integrated human beings, and (b) moved to later stages of human development. Triggered by personal crises but also driven by the major emergencies of our time, a certain percentage of high and ultra—high net—worth individuals have begun to act (Bozesan, 2011; Giving Pledge, 2010; Kelly, 2010, 2010a, 2010b, Soros, 2008) and to ask fundamental questions that have preoccupied humanity all along (Gardner, 2004). Such questions are, *why am I here? What is the meaning of my life? How am I fulfilling my life’s purpose in the face of global crises?* The investors’ individual response to these questions influences their investment behavior, culture, and portfolio

in a significant way. As a result, a new paradigm in investing, philanthropy, business, and leadership appears to emerge. Moreover, for a small but growing percentage of wealth owners such as Warren Buffett (Kelly, 2010, 2010a, 2010b), Bill Gates (Giving Pledge, 2010), Al Gore (Gore, 1992, 2006, 2011), or George Soros (Soros, 2008), investing has already become a self-actualization and a legacy-building vehicle (Bozesan, 2010, 2011).

After introducing Wilber's (2000b) integral framework as its underlying model, this paper presents four major trends that appear to emerge currently in investing, business, and investor's evolution. Furthermore, the paper elucidates the profound motivations behind the inner transformation, change of mind, attitude, and behavior of the researched investors. It proposes that the current crises in economy, finance, ecology, climate, water, health care, educational, food, security, energy, natural resources, poverty, and bio-diversity can be reduced to one common denominator, namely a consciousness crisis. This consciousness crisis appears to be addressed by different investors—private or institutional—from their own stages of development. However, according to preliminary research, a few but growing number of leading wealth owners, called here also integral investors, seem to have integrated their lives to and/or awakened to higher levels of consciousness called integral (Wilber, 2000, 2000a, 2000b), second tier, yellow meme (Beck & Cowan, 1996), or unitive consciousness (Cook-Greuter, 2005, 2008).

Significance of Study

The researched investors are called integral investors or integrally informed investors because they believe in and insist on executing an integral investing model that is based on the parity of people, planet and profit is being implemented rather than preferring one aspect at the expense of the other two. These investors are the co-creators of the next paradigm in investing,

whether they call it integral investing or not. Its model is based on the essence of all existence, the interior as well as exterior reality. It is a reality in which high financial returns are inseparable from a high social, environmental, cultural, and an ethical impact, as well as individual self-actualization and happiness. Integral investors or integrally informed investors intend to fully experience life in all of its dimensions by (1) creating integrally sustainable wealth that occurs either at the intersection of “lushness and ingenuity” through “Eros impact” (von Papstein, 2011); (2) by “actively seeking to balance the need for financial return with the yearning to make life a little better for others and the Earth” (Brill, 2010); through “the power of Conscious Capitalism as a method of creating superior and sustainable long-term value” (Vanderbeck, 2011); or through “Integrating issues such as climate change into investment analysis [because it] is simply common sense” (Gore, 2010). Figure 1 below contains a graphic representation of this emerging type of investors and is based on Wilber’s Integral Model (Wilber, 2000b) that will be introduced in a later chapter.

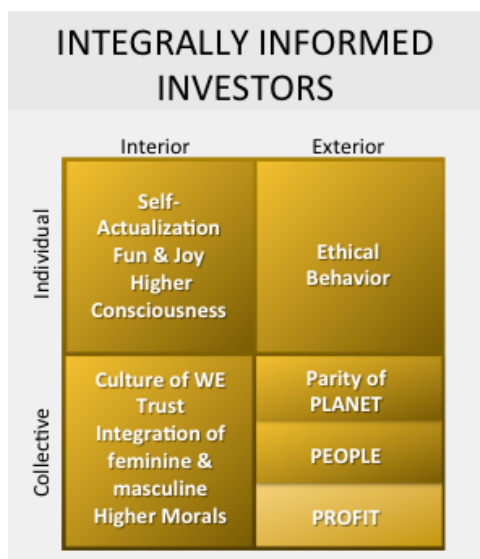


Figure 1: Characteristics of Integral Investors or Integrally Informed Investors based on Wilber’s Integral Model (Wilber, 2000b).

Integral investors view themselves as global citizens who use their money and influence to not only to self-actualize for the greater good, but they measure their success by how well they address world challenges such as the implementation of the Copenhagen Consensus (2009) and the Millennium Development Goals (2009) (Figure 2).

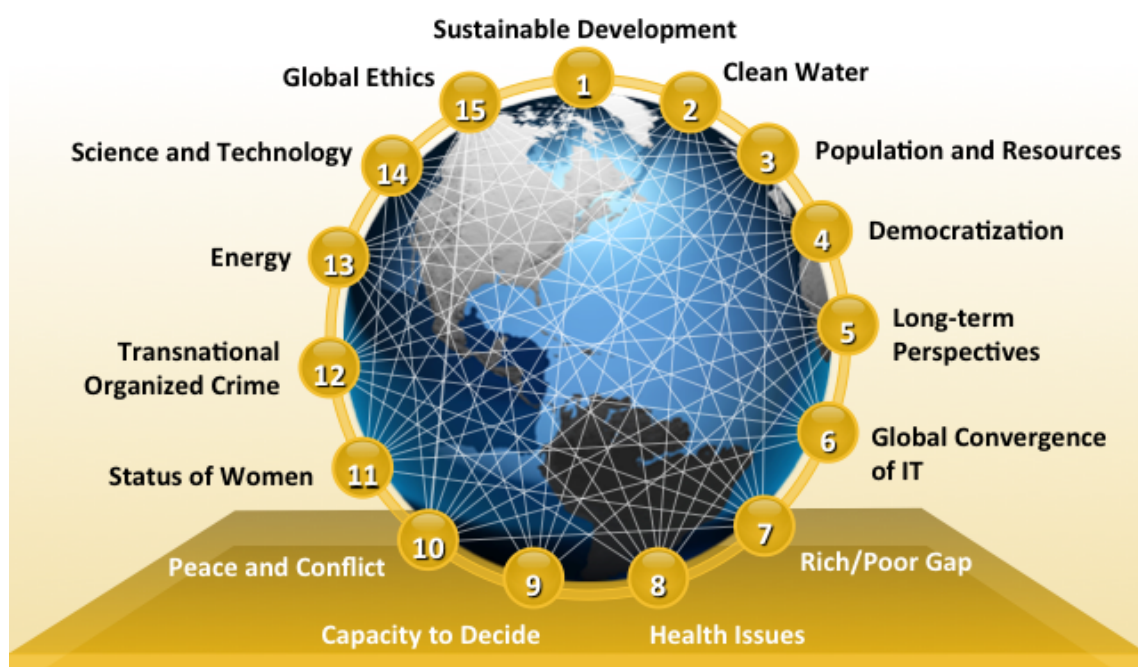


Figure 2: Millennium Development Goals (Millennium Project, 2009).

The significance of this research for wealth owners—in short investors—is manifold and includes (1) an enhanced understanding of who they are as human beings, of their current and future levels of consciousness; (2) support on how they can self-actualize through their wealth and identify the hidden determinants that will make the current sustainability criteria—Environmental, Social, and Governance (ESG)—truly successful; (3) the opportunity to leave the perceived isolation by acknowledging that other peers exist who are at the same level of consciousness and are undergoing similar transformations; (4) enhanced risk mitigation skills and portfolio management tools that go beyond the regular market offerings in investing,

finance, and business; (5) tools to better integrate their capital, business, and philanthropic mission to achieve parity of people, planet, and profit; (6) integral metrics on how to measure the result of their investments and (7) more developed reporting tools; (8) access to tools and skills to co-create a full—spectrum investing model, the next paradigm in investing; (9) regained faith in the *real* value proposition of investment markets; (10) enhanced abilities to define a more holistic investment portfolio that is sourced in a more integrated level of consciousness; (11) being integrally informed and better integrated at their own level of consciousness; (12) superior tools to handle generation conflicts within their own family offices; (13) heightened courage and improved know-how to invest in global/emerging markets; (14) new consciousness leadership skills, and last but not least (15) freedom to allow the joy of life, happiness, and beauty to become an integral part of measuring investing success.

On the other hand, wealth managers could benefit significantly from this research by (1) regaining lost trust of wealth owners through a better understanding of their interior needs, values, and desires; (2) improved risk management tools that go beyond traditional means to achieve parity of people, planet, and profit; (3) enhanced ability to build superior investment strategies based on a integral value system that includes the hidden determinants (the interior dimensions) that will ultimately make the current sustainability criteria—Environmental, Social, and Governance (ESG)—truly successful; (4) forging closer bonds with investors; (5) enlarging their view on investing, which could potentially attract a new kind of investors that otherwise would have been missed such as women that have traditionally not been served well; (6) developing new integrally informed metrics as well as portfolio monitoring tools; (7) attracting a healthier deal flow and investment opportunities; (8) getting a better and more authentic understanding why their clients shifted their assets after the 2008 crisis and learning how to keep

their clients in the future; (9) building integral reporting tools that address the changed value system of wealth owners to achieve parity of people, planet, and profit where this is desired; and (10) realizing that their profession can become a self-actualization path for themselves.

Needless to say, the global benefit could be immense if, through integrally informed investors, more capital would be aggregated to implement the parity between people, planet, and profit. This paper explicates the underlying reasons that presumably triggered the change of mind and soul of investors, how it transforms people, and how it manifests at various levels of development individually, behaviorally, culturally, and socially. It indicates why investors stopped the “current dominance of wealth over reason” (Gore, 2011, p. 2) and have fun doing it.

Statement of Problem and Research Question

The inquisitive visitor of Salzburg, Mozart’s birthplace and one of the most beautiful cities on earth that became well known through the Hollywood movie *The Sound of Music*, will soon discover that the heart of this ancient Austrian city is home to 32 most beautiful Christian churches that have been built over a period of more than 1500 years. The question, *why there are so many churches within such a small area that can be traversed in 15 minutes by foot* is, however, not easily answered. In trying to give a response, your tour guide will take you back to the 4th century A.D. when Salzburg began being ruled by Catholic bishops and archbishops. For many centuries, the city was often involved in cruel wars against invading Turks, greedy neighbors, unruly peasants, or Protestants. Hoping that their sins would be forgiven after the killings in those wars, Salzburg’s rulers would build another church; your Salzburg tour guide will tell you. Whether the assessment of your tour guide is right or not, true is that the soul salvation has always been of concern to humans in all cultures around the world. Salzburg is no

exception and although nobody has ever been able to buy forgiveness or indulgences from God, opposed to what religious rulers told us, the breathtaking beauty of churches, temples, pyramids, museums, and other objects d'art attest to humanity's hope for an exonerated soul and an eternal life. In line with humanity's value spheres known across all global cultures, the True, the Good, and the Beautiful (Lovejoy, 1942; Plato, 1961/1938), our ancestors left us a legacy of something that is not only morally superior and true, but more so extraordinarily beautiful. Whether natural or manmade, beauty elevates and transcends human spirit. From Egyptian pharaohs to the DiMedici dynasty of the Italian renaissance, a certain percentage of wealth owners have always been at the forefront of creating a legacy of beauty and meaning that represented their highest level of collective cultural and social center of gravity. The most advanced of them have aimed at integrating humanity's value spheres all along. It occurred through the birth of the Renaissance era, the founding of the United States of America, the unification of Europe, the flight to the moon, or the invention of the Internet.

Yet, lately humanity seems to have lost its soul. As we look around the world we can see beauty, morals, happiness, and meaning succumbing to ugly greed. In fact, ugliness is on the rise. We can witness how ugliness is increasing through environmental degradation, loss of plant and animal diversity, as well as unbearable human suffering, and the destruction of human spirit. Poverty, which traps more than 1 Billion people on our planet (Sachs, 2008), is ugly. World hunger that kills more than 17,000 children daily while in the Western world obesity conquered more than 30 percent of the Western population (U.S. Department of Health and Human Services; 2004) is ugly. Cancer, which according to a study performed in 2002 by the U.S. Department of Health and Human Services, the Center for Disease Control, and the National Cancer Institute, is currently killing one in four people in the Western world (Almon et al, 2005)

is ugly. The global debt crisis, the mortgage crisis, and the Great Recession in the United States of America (Maloney & Schumer, 2010) are ugly. Unemployment, terrorism, environmental degradation and war are ugly. And whether we are personally touched by it all or not, the collective pain has become an integral part of the daily life. We seem almost insensitive to it and life seems to go on as usual. No major changes appear to occur that would change the set course. However, appearances are often deceiving and we have seen that massive change is possible; not only through the falling of the Berlin Wall in 1989 but more recently in the Arab Spring during which dictators were being forced to abdicate almost over night. The question is what triggers massive change and what are the characteristics that would enable a peaceful evolution to a more inclusive level of consciousness.

This paper contends that in addition to the exterior factors that are obvious to everyone who is willing to look, there are deep underlying interior individual and interior collective factors that occur and make change unavoidable. From an investing perspective this paper addresses the problem from the individual interior perspective. And what has inevitably caught the attention of most investors and pushed them over the edge into significant individual action—as we have seen also from the BCG report above—was the worst economic crisis in history. The 2008 financial crisis almost destroyed the world economic system and peaked in the most dreadful crisis of all times. By October 2008, almost over night, about US \$25 trillion were erased from the value of stock markets (Naudé, 2009; Taylor, 2009). What followed was an unimaginable, large-scale pain that is still going on. In fact, the default of Greece, Portugal, and Ireland at the beginning of 2011 and at the US debt crisis from August of 2011, are all correlated consequences thereof.

Triggered by my own experience, the current research focused on identifying, researching, and analyzing the transformational experiences of individual high net-worth individuals prior, during, and after the 2008 crisis. Therefore, the main question for this research is: What are the most significant emotional, physical, cognitive, spiritual, or other experiences that characterize the interior transformation of investors that made them become world servants? Secondary questions include (1) the triggers, the context, and process of their transformation; (2) the information about how wealth owners become the integral change agents required for a paradigm shift in investing; (3) the factors that facilitate or inhibit the change of mind; (4) the continuity of transformation, especially as it may occur in a hostile environment dominated by less-conscious investors, peers, money managers, as well as a litigation-friendly environment; (6) how new investing structures can be created in the light of the current global context; and (7) the future of investing, capitalism, business, and philanthropy within the context of global sustainability.

It is not the place, nor the intention of this paper to analyze the details of neither the economic nor financial crisis. However, before diving into the data collection and data analysis of the individual transformation of investors toward later stages of consciousness, it is important to introduce the theoretical foundation and the trends identified through the current research. These represent also the context in which the interior transformation of the researched investors occurred.

Theoretical Foundation

In trying to address humanity's current challenges, it becomes obvious that their solutions require an enormous amount of financial capital, but also an appropriate social, environmental,

cultural infrastructure, and a highly integrated human capacity, as the implementing agent. As per Einstein’s request “the significant problems we face cannot be solved by the level of thinking that created them.” The question though is how do we get at that different mindset that Einstein refers to?

Wilber’s Integral Model

In search for an appropriate framework that could fulfill all above requirements, the author has identified and successfully applied Wilber’s (2000b) integral framework not only to her research, but also in all of her other activities as a global investor, entrepreneur, and venture philanthropist over the past decade. Wilber’s integral model is arguably the most comprehensive model of reality because it provides not only the most in-depth range of perspectives to an issue, but also the opportunity to look at it from a different evolutionary altitude (Wilber, 2006). A short introduction to the integral model follows (Figure 3).



Figure 3: Ken Wilber’s Integral Model (Wilber, 2000b).

The upper-left quadrant in Wilber's (2000b) model refers to the *terrain of experience*, the personal subjective and the inner life of the individual. It "includes the entire spectrum of consciousness as it appears in any individual, from bodily sensations to mental ideal to soul and spirit" (Wilber, 2000a, pp. 62-63). Here is the home of our individual interiority and contains several lines of interior evolution including emotions, morals, cognition, self, and ego development. Especially after the 2008 financial crash, the cry for higher ethics and morals increased significantly. Yet, we do not become integral human beings at will and over night. It takes years because it is an evolutionary process described at length by leading developmental psychologists including Gook-Greuter (2005), Loevinger (1977), Maslow (1999), and Wilber (2000a). Those of us who have ever tried to lose weight, stop smoking, or get rid of any unwanted behavior know how difficult this process, let alone its measurement is. This is the reason why within the parameters of neo-classical economics, the *territory of felt experience* has been excluded because it erroneously seemed difficult to prove in a scientific manner (Camerer & Loewenstein, 2004, p. 5). This happened because neither behavioral economics (Kahneman & Tversky) nor scientific psychology existed as academic disciplines at that time. As a result, the interior human dimensions became less important and neo-classical economics focused more on profit and utility maximization. This gave birth to the notion of the self-interested *homo economicus* (Aspromourgos, 1986). The financial crisis of 2008 was the culmination of its application. However, this is currently changing as this paper is attempting to demonstrate within the field of investing.

Whereas Wilber's (2000a) upper-left quadrant relates to the *terrain of felt experience* or individual interior consciousness, the upper-right quadrant refers to the exterior or the more objective states of being, the *terrain of behavior*. This terrain is more easily measurable with the

scientific methods available today. This quadrant includes “the brain mechanisms, neurotransmitters, and organic computations that support consciousness” (Wilber, 2000b, p. 63). This is the home of cognitive science, neurophysiology, and empiricism. The lower-left quadrant, the *terrain of culture*, enlarges the perspective of reality by including the interpersonal subjective and moral areas of culture such as justness and goodness. Wilber (2000b) defined this quadrant as “the values, meanings, worldviews, and ethics that are shared by any group of individuals” (p. 63). The cultural context in which for instance investing, businesses, politics, science, and education occur, are at the heart of our collective humanity. It gives our existence meaning, we become almost inseparable from it, because it becomes what we perceive to be our absolute reality. Together with the upper right quadrant, the lower-right quadrant (Figure 3) is the area in which institutions, businesses, and geopolitical organizations are traditionally inter-operating in an objectively measurable way. Similar to the upper right quadrant, this is the domain in which science has conventionally been active. This is the home of our social, environmental, and infrastructural context. This is the *territory of systems theory and analysis*.

Wilber’s (2000b) four quadrants embody not only Plato’s (1969/1938) indivisible value spheres of humanity, the *True/Science* (upper right and lower right quadrants), the *Good/Culture* (lower left), and the *Beautiful/Consciousness* (upper left). They also represent the different perspectives of our interior and exterior reality both from an individual and a collective point of view. However, each of the quadrants is also subjected to the evolutionary process (Wilber, 2000b) as show in Figure 4 below. Depending at which altitude we are—individually or collectively—on the evolutionary latter, we will have a different view of reality. This will be discussed next.



Figure 4: Wilber's Integral Model and Evolution (Wilber, 2000b).

At the interior level represented in the upper left quadrant (Figure 4), individuals grow over their lifetime from an instinctual self, via an egocentric self to an achiever self and—hopefully—an integral self (Alexander et al., 1090; Beck & Cowan, 1996; Cook-Greuter, 2005; Gilligan, 1993; Loevinger, 1977; Maslow, 1999). Especially in the business world, Maslow's pyramid of needs has become widely known and applied. According to Maslow (1999), as we manage to fulfilling our body security needs, we grow to attend to our belongingness needs to increasing our self-esteem up to the point of self-actualization or even self-transcendence. A similar evolutionary process will be demonstrated as follows using the Spiral Dynamics model (Beck, & Cowan, 1996). Spiral Dynamics has been developed by Beck and Cowan (1996) and is based on the evolution of humanities value system first identified by Clare Graves' (as cited in Beck and Cowan, 1996). The Spiral Dynamics model lends itself to significant strategic applications in investing and economics because it helps comprehend how individuals but also whole societies and cultures adapt as life circumstances change. It has been applied successfully around the world in countries such as in the Netherlands, Palestine, Mexico, and South Africa (p.

318). Understanding this model will also help explain the notion of the integral investor discussed here.

Spiral Dynamics

The Spiral Dynamics model consists of two evolutionary tiers. Tier 1 contains six flowing stages of human development called memes. Each stage is named after a color.

Beige: Survival/Instinct-Driven. People at this stage are driven by nature, instincts, and basic survival. They are concerned with mundane things such as food, shelter, and procreation.

Purple: Tribal Order (magical-animistic). At this level, people from ethnic tribes and their thinking is dominated by mysterious, magic, superstition, as well as curses and spells. According to Wilber (2000b), 10 percent of the world's population lives at this egocentric stage. Representatives include gangs, tribes, and sports teams. They own 1 percent of the political power (Wilber, 2000b).

Red: Power Gods. This is the first level of development at which there is an emergence of an individual separate from the tribe. Life is hard, rough and harsh and one has to fight to survive in spite of others. This is the basis of feudal empires, which are dominated by archetypal gods and goddesses, and which sees existence as here and now. Examples include feudal landlords, gang leaders, wild rock stars, and epic heroes. According to Wilber, (2000b) 20 percent of the world's population lives at this egocentric stage of consciousness. They own 5 percent of power.

Blue: Mythic Order and the Absolute. At this level, life is purposeful and divinely controlled, but a certain authority, which must be obeyed, determines its outcome. This authority defines the guiding principles of right and wrong. The violation of that order creates a sense of guilt and has to be severely punished either here on earth, i.e. in prison, or elsewhere, i.e. in hell. The ethno-centric society has been born. Wilber (2000b) argued that 40 percent of the world's

population lives at this ethno-centric level of consciousness. It includes puritan or communist societies, fundamentalist religious orders, or patriotic organizations. They own 30 percent of power (Wilber, 2000b).

Orange: Striver/Driver—Scientific Achievement. At this level, the laws of science rule a society that thinks for itself. Society as a whole has broken free of the previous *herd mentality* and its members are materialistic and achievement oriented. The world is viewed as mechanistic and deterministic. There are plenty of alternatives and opportunities and thinking is dominated by rationality. Examples of such a stage of consciousness are the Enlightenment movement, the Cold War, the emerging middle-classes, corporations, and Wall Street. In the words of Wilber (2000b), at this level “the world is a rational and well-oiled machine with natural laws that can be learned, mastered and manipulated for one’s own purposes.” These ethno-centric societies represent 30 percent of the global population. They own 50 percent of the power (Wilber, 2000b).

Green: Socially Conscious—The sensitive Self. This is a world-centric society that shares the habitat of all humanity, is ecologically conscious, and its caring supersedes the selfish rationality that dominated the orange meme discussed above. The world is regarded as our only home, which we must save from destruction. Thinking is dominated by egalitarian consensus and a pluralistic worldview. This society rejects hierarchy of any kind. Examples are Greenpeace, the animal right movement, ecofeminism, political correctness, and human rights. 10 percent of the global population own 1.5 percent of power (Wilber, 2000b).

According to this model, the first three stages, the beige, purple and red, are considered to be egocentric. At these stages, people only care about themselves and their own survival. The next two stages, the blue and the orange, are considered to be ethno-centric, because at these

levels people are concerned with the well being of their own tribes. They are often willing to go to war against other tribes or social orders in order to defend their point of view. Only with the appearance of the green stage of development can we observe for the first time the world-centric view. At this stage people begin to look at the entire world as their home, a home that they treasure and which they must preserve. As with each developmental model, it is important to note that every newborn baby begins at the *beige* stage and grows over time into higher stages of development where the person usually remains for the rest of his or her life.

Tier 2 of the Spiral Dynamics model begins with people who have already reached a *spirit-centric* view of the world. It is composed of the yellow stage and the turquoise stage of development (Beck & Cowan, 1996):

Yellow: Integrative. At this stage, people have the ability to integrate various levels of reality, which can naturally be either hierarchical and heterarchical. While the people at first tier usually reject or criticize people at other stages below or above themselves, individuals at second tier recognize the value of each stage and integrate them in a harmonious manner. People at second tier make up 1 percent of the population and own 5 percent of the power (Wilber, 2000b).

Turquoise: Holistic—The Awakened Soul. At this universal and holistic level, life manifests as a delicate balance of interwoven forces where individuals are able to combine and honor their feelings with knowledge and create one “conscious system” (Wilber, 2000b). People at this stage make up 0.1 percent of the population and own 1 percent of power.

Within Wilber’s (2000b) Integral Model shown in Figure 4, we can cognize that interior (human) evolution is made visible on the outside as brain structures and organisms—as shown in the upper right quadrant. The same evolutionary process discussed in the Spiral Dynamics model operates also on cultures (Gebser, 1984) as well as in social and environmental structures. This

can be witnessed in all nations and cultures around the world all of which are at different stages of development. Because of its comprehensive nature, Wilber's integral theory is currently applied in more than 35 distinct professional and academic fields including economics, business, politics, organizational management, ecology, and healthcare (Esbjorn-Hargens, 2009; Wilber, 2000b).

This paper contends that in order to generate a comprehensive solution to any problem not just investing, one *must* take both *all* four of the above *perspectives* displayed in Wilber's quadrants *and* the various *altitudes* determined by the evolutionary process in each quadrant. By applying the integral model in investing, finance, economics and business, the author has identified the following evolutionary trends in investing, finances, business, philanthropy, and investors' evolution. These trends will be presented next because they constitute the impetus of the current research. They represent also the context within which the interior transformation of the researched investors occurred (Bozesan, 2011).

Trends and Context of Investor's Transformation

Evolution from Traditional Investing to Integral Investing

Traditional investing is profit oriented and money managers have the challenge to earn superior financial returns to their investments consistently. Over time, however, an increasing number of investors requested more responsible investment opportunities that offered the chance to make a profit in addition to having a social, environmental or governance impact. The investing industry responded and the first ethical mutual fund was raised in 1985 in Canada (Robeco & Booz & Co., 2009). That year, the Canadian VanCity Credit Union created a fund that added ethical, social, and environmental criteria to its rating benchmarks. Thus, Impact

Investing is also known as Social Responsible Investing (SRI), Program Related Investing (PRI), Mission Related (MRI), or Triple Bottom Line Investing (TBLI) was born.

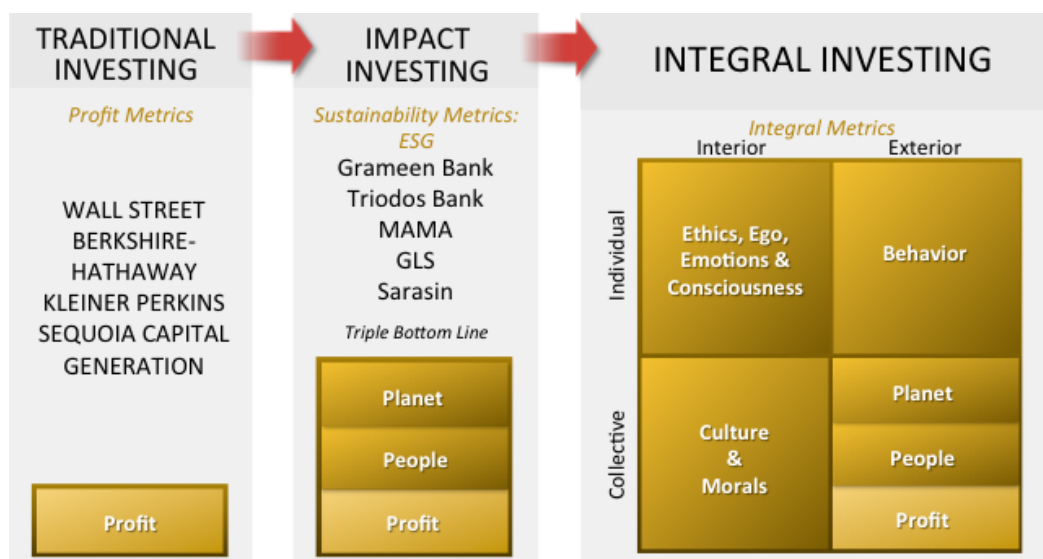


Figure 5: Evolution from Traditional Investing via Impact Investing to Integral Investing (Bozesan, 2010, 2011).

In the meantime, Impact Investing, which in its most advanced form is measured through Environmental, Social, and Governance (ESG) criteria, is becoming mainstream worldwide (Freireich, 2009; Robeco & Booz & Co., 2009). It is expected to represent 15 to 20 percent of total global Assets under Management (AuM) of USD 26.5 trillion in 2015 (Robeco & Booz & Co., 2009). In a more recent study, the total social responsible investing AuM in Europe have increased from €2.7 trillion to €5 trillion, as of December 31, 2009 (Eurosif, 2010). This represents a remarkable growth of about 87 percent since 2007. These numbers reveal that an increasing number of investors—private or institutional—care to use their money to address social, environmental, and governance issues in addition to profit. However, most traditional investors focus on profit-only and do not take impact investing, which has already become a separate asset class (O’Donohoe et al., 2010), as a serious investment option. This is so because they fear the potential risks associated with anything other than profit-only orientation. This is

the case although for instance “microfinance valuations in the public and private markets are starting to converge with those of traditional financial institutions” (De Mariz, 2011, p. 4). Interestingly enough, the Low Income Financial Index (LIFI) “has largely outperformed traditional banks both globally and in emerging markets. The LIFI index increased 736 percent since its launch in 2003, while world financials’ stock prices decreased 20 and emerging market banks’ stock prices increased 224 percent” (De Mariz, 2011, p. 4). According to the 2011 J. P. Morgan report on global microfinance, “the LIFI index has been rather volatile in 2011, but it is still outperforming, up 8 percent YTD, versus 0 percent for World Financials and -1 percent for Emerging Markets Banks” (De Mariz, 2011, p. 4).

Despite the fast growing market of impact investing, we are still at its beginning and neither its financial successes nor the introduction of the Dow Jones Sustainability Index in 1999 could stop its critics from stating that the Social, Environmental, and Governance (ESG) metrics is reducing the profit bottom line. In fact, the opposite is true (De Mariz, 2011; Plinke, 2008). Bank Sarasin (Plinke, 2008) contended that fulfilling sustainability requirements “does not have a negative impact on the financial performance of share portfolios. This challenges the widely held opinion that applying a sustainability filter actually restricts the optimal selection of investible stocks and therefore has a negative effect on the risk/return profile of sustainable portfolios. It also refutes the argument that environmental and social initiatives adopted voluntarily by companies are incompatible with market rules and tend to destroy value” (p. 5).

As a result, investors are well advised to optimize their Global Equity investments by choosing equity investments where corporate management proactively mitigates ESG risk factors. Through that, investors can increase the expected financial return of their portfolio by 0.3% points at similar levels of expected risk (Hoerter, & Mader, & Menzinger, 2010).

Optimizing risk management rather than boosting investment returns seems to be the ESG drivers according to Hoepner (2010) and (Roehrbein, 2010). Furthermore, according to a recent Novethic report (2010), 84 percent of the 251 participating wealth owners who represented €7,500 billion in assets from 9 European countries believe that applying ESG criteria maximizes their long term-interests including their financial interests. A major breakthrough seems to be the fact that a majority of investors no longer think that using ESG investing criteria conflicts with their fiduciary responsibilities. Moreover, 59 percent of French and 68 percent of German investors assert that their main interest is in using their money to contribute to the creation of more sustainable development models (Novethic, 2010). Novethic's (2010) research is very significant in that it supports the major hypothesis of this paper that contends that some investors have become more holistic in their worldview and personality structures. Yet, even impact investing with its promising sustainability criteria (ESG) is short in reflecting the individual investors' need for self-actualization, the collective interior aspects such as culture with its morals and ethics, or the individual behavioral aspects discussed earlier. Impact investing with its sustainability index reflects mainly the aspects described in the lower right quadrant of Wilber's integral model. Were the other three quadrants included, this paper argues, we would be able to truly implement the *parity* of people, planet and profit and enjoy doing it. By including the participating agents along with their culture and behavior into the equation, we would have the opportunity to depart from the reductionist model of *neo-classical economics* with its *homo economicus* and implement a more complete *full-spectrum economics* model (Arnsperger, 2010).

Based on current research, this paper argues that Integral Investing is the future trend in investing (Figure 5). Integral investing addresses the requirement list specified above including Einstein's request. The agents of integral investing have the ability to have a different mind set

than the one that created the crises. They are leading edge investors who appear to have moved from an egocentric to a more world-centric perception of the world (Bozesan, 2010, Kelly, 2010, 2010a, 2010b). These investors are called integral investors, because they make their financial bottom line even more successful (Bozesan, 2010) by adding interior metrics such as culture, ethics, and emotional property to the exterior ones such as financial, social, and environmental. Wealthy individuals who use their money to self-actualize and have a global impact are the driving force behind integral investing. They are people like Al Gore (1992, 2006, 2011), Bill and Melinda Gates, George Soros (2008), or Warren Buffett (Kelly, 2010, 2010a, 2010b) who apparently find their true life's purpose by serving humanity. Integral investors are leading the field of integral investing by implementing the parity between people, planet, and profit.

An additional context in which the transformation of wealth owners currently takes place is the convergence of traditional capital with philanthropic capital that will be discussed next.

Goal Convergence of Traditional Capital and Philanthropic Capital

A further obvious development in Western societies that can be observed by applying Wilber's integral model to investing is the convergence between the ultimate goals of regular capital and philanthropic capital (Figure 6).

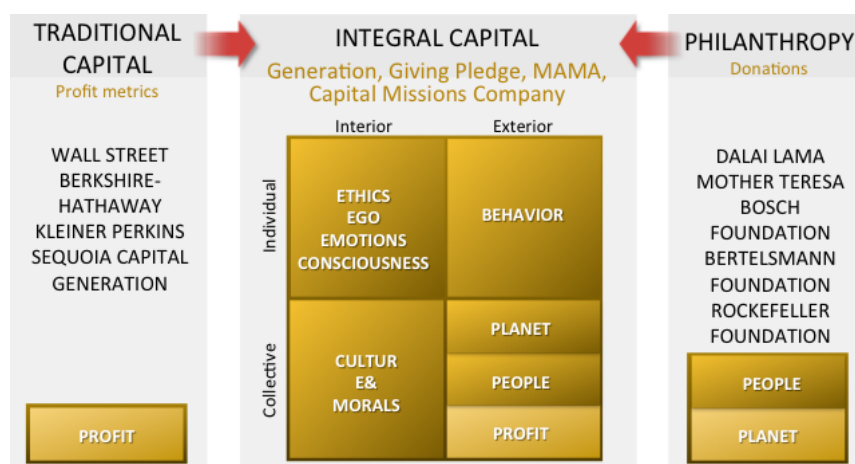


Figure 6: Convergence of Traditional Capital and Philanthropy.

From high-risk to low-risk investment products, traditional investors—institutional or private—are driven by profit and have the challenge to earn consistently superior financial returns for their investments. Yet, reality shows that this is no longer possible. As an example, let us take a look at the early stage Venture Capital (VC) industry where I spent the better part of the past 17 years. VCs invest at the highest possible risk and—since the boom of the 1990s—are expected to return a financial profit of more than 20 percent IRR (Internal Rate of Return). However, the disappointing track record over the past decade (Preqin, 2010) as well as the financial crisis of 2008 forces significant change to occur. Unfortunately, most people are resistant to change (Gardner, 2004, Senge et al., 2005) and even those who are not, have a hard time knowing what and how to change. However, as it became obvious from the above discussion (Figure 5), the capital markets appear to be shifting toward a more integral way of investing. Within the VC realm one can observe more and more venture capital funds being raised that continue to have a profit-only measurement criteria. The investment thesis is, however, driven by sustainable technologies such as smart-grid, solar technologies, biotechnologies, or sustainable automobile technologies (e-mobility). Such VC funds are for example MAMA (2011), Satori Capital (Vanderbeck, 2011), Generation (Gore, 2010), or Yellow and Blue (2011).

On the opposing end of profit-only orientation there is charity or philanthropic giving (Figure 6). Giving is innate to human nature and despite the financial crisis of 2008 the American people for instance have given more than \$307.65 billion to charity in 2008 (Bond, 2009). Being a philanthropist, I have the privilege to witness the sustainable impact of my own philanthropic work regularly. Nothing is more rewarding. However, as an investor and

businessperson, I must challenge us to acknowledge that philanthropy is not sufficient to help us overcome the numerous crises plaguing us in this 21 century. Why? Because philanthropy, with its outdated legal and management structure, its narrow-mindedness and inward focus, caution and risk aversion, independence and control, inertia and competition, as well as our old and deeply ingrained understanding thereof, is not well equipped to address the challenges at hand in a professional, timely, and efficient manner (Fulton, Kasper, & Kibbe, 2010). Without adequate leadership as well as major legal and structural changes, the current inconsistencies between making philanthropic grants to improve the world and making investments that hurt it, will continue.

The recent Giving Pledge of Philanthropy (Giving Pledge, 2010) may very well be one major answer toward more integral solutions in this field. But without significant structural changes in our philanthropic infrastructure, it will not succeed. Let us see why I dare say that. The Giving Pledge was launched on August 4th, 2010, when “forty of the wealthiest families and individuals in the United States have committed to returning the majority of their wealth to charitable causes by taking the Giving Pledge” (Giving Pledge, 2010). I am very much in support of it for two reasons. One is related to its participants such as Warren Buffett and Bill Gates who are professional business people, investors, and philanthropists. Second, I very much appreciate the exorbitant amount of capital aggregated to support the intentions of the Giving Pledge. However, what is generally not known is the fact that only approximately 5 percent of the yearly capital of most philanthropic organizations is program related and dedicated to support their philanthropic mission. The remaining 95 percent of the funds, however, usually belong to a separate legal entity—often called a trust. The trust manages the endowment assets and has the responsibility to preserve and increase the endowment over time. The trust capital is often

invested on Wall Street and other capital markets. However, more often than not, the asset trust managers get measured only by the financial success of the foundation and not by the success of philanthropic mission, as do the program managers of the same foundation. As a result, the largest part of the philanthropic capital turns into regular capital. It is hence invested into companies that manufacture products, and provide services that sometimes work against the philanthropic mission – as was the case with the Bill and Melinda Gates Foundation (AGRA Watch, 2010, p. 2). In order to prevent this from happening in the future, awakened investors such as those described in Bozesan (2011) and Kelly (2010, 2010a, 2010b) are creating mixed structures for investing funds (Godeke et al., 2009). As a result, the seemingly opposing differences between traditional capital and philanthropic capital are shrinking and their goals appear to converge (Figure 6). Yet, only the future will show whether we will be able to solve global challenges or not.

Congregation of Objectives of Traditional Business and Social Business

Since the birth of neo-classical economics and the notion of the self-interested homo economicus (Aspromourgos, 1986; Camerer & Loewenstein, 2004) in the beginning of the 20th century, businesses focused more on profit and utility maximization. This was in part due to the fact that economists developed the desire to shape economics into a natural science by judging it through the eye of science and reason. Their intention was to achieve “congruence with reality, generality, and tractability” (Camerer & Loewenstein, 2004, p. 4). Despite the extraordinary wealth it created, without explicit regard for human values, neo-classical economics led also to the “false and misleading” assumption that “financial markets tend towards equilibrium” (Soros, 2008, p. vii). Eventually, it steered toward “the commodification of life, the leveling of

qualitative distinctions, the brutalities of capitalism, the replacement of quality by quantity, the loss of value and meaning” (Wilber, 1998, p. 11).

In response to that, a different kind of business was born when individuals such as Nobel Prize laureate Muhammad Yunus created in 1974 the notion of social business and founded the Grameen Bank (The Bank of the Villages) along with its microcredit program for the poorest of the poor (Yunus, 2007). Yunus (2007) defined social business as

A company that is cause-driven rather than profit-driven, with the potential to act as a change agent for the world . . . It has to recover its full costs while achieving its social objective . . . Rather than seeking to amass the highest possible level of financial profit to be enjoyed by the investors, the social business seeks to achieve a social objective . . . But any profit it earns does not go to those who invest in it. . . Rather than being passed on to investors, the surplus generated by the social business is reinvested in the business (p. 22-24).

In other words, social business and its superset social entrepreneurship are mainly focused on people and the planet while traditional businesses are mainly focused on profit. However, recent research (Bozesan, 2010, 2011; Sisodia et al, 2007; Strong, 2009) indicated that the future of business is integrally informed business, which is at the intersection of traditional business and social business (Figure 7).

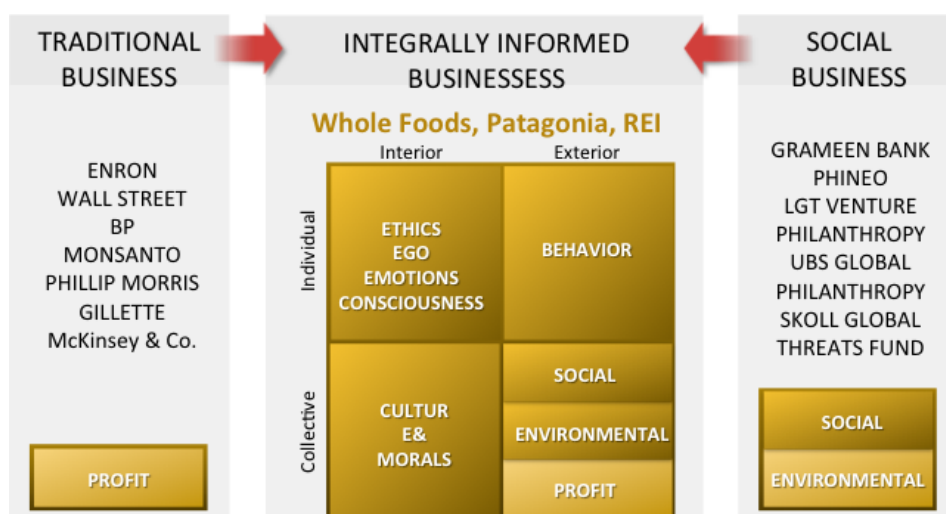


Figure 7: The Future of Business: Integrally Informed Businesses.

Integral businesses or integrally informed businesses are led by conscious business people (Strong, 2009) or integrally informed leaders (Bozesan, 2010) and their leadership teams. They act with the intention to achieve parity between people, planet, and profit. Moreover, integral businesses are showing how adding cultural and developmental metrics to the social, environmental, and financial ones can significantly increase the financial bottom line. In a study (Sisodia et al., 2007) published in the book *Firms of Endearment: How World-class Companies Profit from Passion and Purpose*, it becomes obvious what the key to success of companies that are adding only the cultural aspect to their success metrics is. Their corporate culture becomes their biggest competitive advantage, which can be measured at the financial bottom line. *Firms of endearment (FoEs)*, as these companies are being called, outperformed financially S & P 500 companies by 8 to 1 over a period of 10 years (Figure 8).

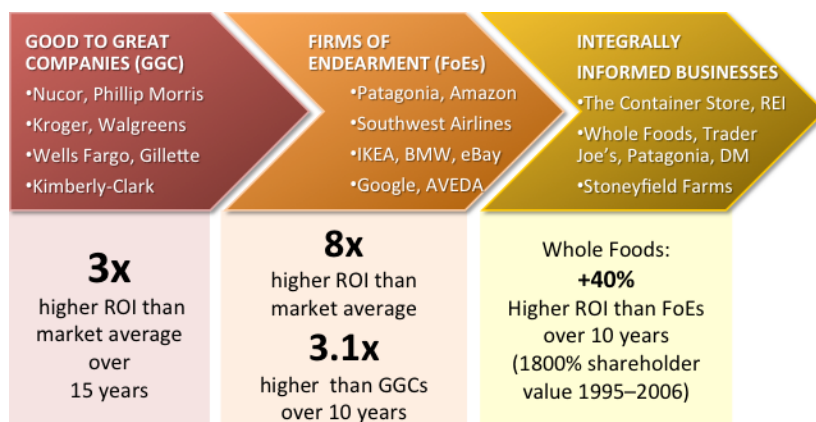


Figure 8: Financial Risk Mitigation through Integrally Informed Businesses

Under the premise that every exterior is driven by an interior, these companies such as Timberland, Southwest Airlines, or Whole Foods are driven by a cultural shift toward subjectivity, trust, interdependency, integrity, transparency, caring, passion, and fun in addition to profit. As these companies add all four quadrants of the integral model to their measurement of success, they turn into an integral business and they become also financially even more

successful than the *firms of endearment*. An example in case is Whole Foods (Strong, 2009). Over a period of 10 years, Whole Foods returned 1800 percent to their investors (Figure 8) and outperformed significantly all of its competitors including Wal-Mart, Albertsons, and Safeway. Integrally informed companies are run with a high level of integrity, passion, and love for people and the planet. Integrally informed companies are driven by cultures of inter-dependency that connect and respectfully honor all stakeholders equally from investors, to partners and suppliers, to customers, to employees, to their communities. Because of that, integrally informed companies are able to maximize their long-term shareholder value by simultaneously optimizing the value of all stakeholders. They could become the convergence space between traditionally businesses and social businesses, or social enterprises.

Integral Investors: Interior Evolution toward Later Stages of Human Development

Within the context of the future of Wall Street, business, economics, and investing discussed here, Wilber's Integral framework and the Spiral Dynamics model helps understand which perspective and altitude an investor would have to have in order to serve humanity as a whole (world-centric) and not only his or her own personal interests (egocentric), or the interests of his or her business, tribe or nation (ethno-centric). In other words, the underlying hypothesis of the current research is that the *center of gravity* at which an integral investor would have to live most of the time in order to implement the parity of people, planet, and profit would have to be at the end of tier 1, at the later Green stage (world-centric), or at second Tier of the Spiral Dynamic model. Assuming that Wilber (2000b) is right in his assessment regarding the percentage of the world's population that lives at that stage or later, an integral investor would have to emerge from the top 12 percent of the world's population. That means, 10 percent from the Green meme (world-centric) plus 2 percent from the second or third tier (spirit-centric and

beyond). This assumption is based on research by Bozesan (2010, 2011), Kelly (2010, 2010a, 2010b), Pauchant (Ed., 2002), Ray & Rinzler (Eds.) (1993), Ray & Anderson (2000), and Rooke & Torbert (1998, 2005), Torbert et al. (2005), Torbert et al. (2008) to name a few. These investors are called integral investors, because they are people who use their money to self-actualize and become more integrated in their view of the world. They are people like George Soros (2008), Al Gore (1992, 2006, 2011) or Warren Buffett (Kelly, 2010) who apparently find their true life's purpose by serving humanity (Bozesan, 2010). These investors are leading the field of investing by creating parity between people, planet, and profit and by adding interior metrics such as culture, ethics, emotional property and self-actualization to the exterior ones such as behavioral, financial, social, and environmental (Figure 5). Thus, this paper argues that integral investors, which according to the previous discussion represent between 1 and 4 percent of the world's population (Wilber, 2000b), are emerging out of the pool of the so-called cultural creatives (Ray & Anderson, 2000) and represent a percentage of 25 to 30 percent of the population in developed countries (Figure 9). In following existing research (Alexander et al., 1990; Beck & Cowan, 1996; Cook-Greuter, 2005; Wilber, 2000b), this paper argues that integral investors have evolved to later stages of human development.

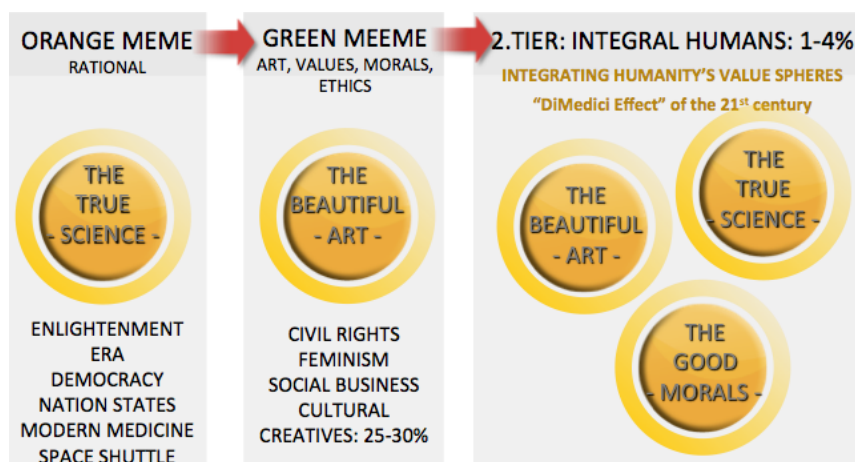


Figure 9: Integral Investors are Integrating Humanity's Value Spheres.

These individuals are now integrating humanity's value spheres, the True, the Good, and the Beautiful (Plato, 1961/1938) in all areas of life including investing, economics, and business. Patricia Baroness von Papstein (2011) for instance described her current mission in life as a "love affair with money [that] is dedicated to playing with paradoxes, to overcoming taboos and preconceptions, and to pushing the limits" toward achieving maximum fulfillment while achieving the Millennium Development Goals at the same time. She is encouraging her fellow investors to fuel their "lust of life toward the global economy" and promises that they "will profit in many tangible dimensions: materially, socially, culturally, and most of all emotionally". How these integral investors have transformed to get here will be shown next.

Research Method and Data Collection

The present research has been performed over a period of more than two years and included extensive travel around the world. The research method used was developed by the author and is called *heuristic structuralism*. It is a pluralistic mode of inquiry in which each point of view is honored as a potential source of insight. It is a combination of Moustakas' (1990) heuristic research method and Wilber's (2006) Integral Methodological Pluralism, which "involves, among other things, at least eight fundamental and apparently irreducible methodologies, injunctions, or paradigms for gaining reproducible knowledge or verifiable repeatable experiences" (p. 33). The data collection occurred from 30 global investors (15 males and 15 females) and is the extension to an earlier research on consciousness leadership in business (Bozesan, 2010). The current research participants represent less than 1 percent of a pool of 312 self-identified identified impact investors. They are between the age of 35 and 65

and live in the United States of America, Western Europe, India, and Thailand. These research participants are independently wealthy individuals who are active as Venture Capitalists or angel investors, presidents of Fortune 100 or Fortune 500 companies, serial entrepreneurs, Wall Street financiers, lawyers, musicians, artists, medical doctors, or pertain to the entertainment business. Without exception, all research participants are active investors and venture philanthropists. They have all earned top academic degrees including doctorate degrees, MBAs, or other Master's degrees from some of the most reputable global universities including MIT, KIT (Karlsruhe Institute of Technology in Germany), IIT (Indian Institute of Technology), Sorbonne/Paris, London School of Economics, Stanford, Yale, or Harvard.

Data Analysis and Synthesis: The Hero's Journey

This phenomenological study indicated that the interior evolution toward higher levels of consciousness occurs along multiple intelligences (Gardner, 1993) also called lines of human development and include the cognitive, moral, value, physical, emotional, and psycho-spiritual lines of evolution (Wilber, 2000b). The evolutionary journey toward becoming an integral investor or an integrally informed investor is exemplified using Joseph Campbell's *Hero's Journey* (Campbell, 1949/1968). The *Hero's Journey* should be familiar to most of us because it is depicted in most legends, tales, myths, cultures, and most recently in Hollywood movies such as *Star Wars*, the *Matrix Trilogy*, or *Lion King*. According to Joseph Campbell (1949/1968), there are three major stages of the *Hero's Journey*, namely *Departure*, *Initiation*, and *Return*. These will be applied below to demonstrate the investors' evolution to later stages of consciousness.

Departure: Investor's Awakening

All research participants are high-achievers and are characterized through high levels of intelligence, post-graduate education, drive, tenacity, hard work, outcome-orientation, and competitiveness. The desire to reach their maximum human potential was powered by their innate curiosity, creativity, and willingness to work hard. Their unique abilities to manifest outstanding material and financial abundance confirmed their original self-reinforcing “outside-in mentality.” It appeared to verify that their actions were the unique source of personal happiness and success. This belief system helped them build outstanding reputations, achieve highly admired social statuses, accumulate extraordinary wealth, construct strong egos, and attain the conviction that one is in control of life.

The upward spiral of financial, material, and business success seemed secure until it was not. The *departure* from their egocentric model of the world occurred when they were stricken by terrible pain that forced them to realize that they were no longer in control. The source of pain was often physical in nature. It showed up in the beginning as relatively simple dysfunctions such as “back problems,” “heart hurting,” “migraines,” “colds and sore throats,” weight gain, or food allergies. Some other times, the pain was of emotional nature and was caused by a “terrible financial loss,” a “horrible divorce,” death of “mother,” being “fired” from a prestigious position, or not being promoted to the desired job. The emotional pain manifested as a “high-degree anxiety,” “worry and fear,” “heartbreak,” tension between “fear and desire,” “grief,” the “need” to be accepted by the outside world, and frustration. It was fueled by “unhappiness,” lack of fulfillment, “feeling of helplessness,” “deep sadness and almost shame,” lack of “love,” “unrest,” lack of trust, and lack of “joy.”

At first, most investors refused to change and tried to resist. They attempted to address their agony using their cognitive abilities and the same skills that made them outstanding

achievers. One of these skills was their ability to control people and outcomes. They began “being a control freak,” “closed down” their hearts to “never” be emotionally available again, or were “wearing a coat of armor.” Eventually, they were all forced to face their “worst nightmares,” namely their own shadows. The tipping point for crossing the threshold toward higher levels of consciousness was triggered by their courage and conscious decision to face straight on the challenges at hand. The process of facing the shadow was different for each individual research participant. It ranged from (1) the decision to experience the “dark night of the soul” through holotropic breathwork, over (2) the willingness to face the “worst [emotional] pain” after “chopping wood,” for several hours, to (3) meditation or “vision quests,” to (4) beginning to ask essential questions regarding the true meaning of life. The sum results of the shadow work are known as Maslow’s transcendent or peak experiences, meditative or contemplative experiences, near-death experiences, out of body experiences, experiences of flow, state or unity consciousness experiences, exceptional human experiences, transpersonal experiences, or other spiritual emergencies. These experiences were described as a “lightning bolt [that] moved through” the body and caused a feeling “so powerfully strong that it was almost to the point where you couldn’t walk.” Or it was witnessed as a “mystical experience,” “divine light,” or “divine intelligence.” In one instance, there was a feeling in which the “heart was exploding with love” and in which the “body turned into an intense beam of light” that opened the heart completely.

When relating to the extraordinary human experiences described by the research participants, it is important to note that these asset owners are non-religious people who enjoyed high academic, scientific, and/or business educations and enjoyed extremely successful careers. At that time, many of them did not have any framework or the proper language to make sense of

the extraordinary experiences they were having. Their entire worldview was shattered as soon as he or she gave up control and surrendered to their shadows, the unknown, and to the “unbearable fear” and pain they were having. Their experiences caused a “major shift” and “quantum leap in consciousness.” Neuroscientific research (Beauregard & O’Leary, 2007; Newberg & Lee, 2005; McCraty, 2001) indicates that such exceptional human experiences can contribute to achieving higher levels of personal integration and/or move the participant to later stages of ego development (Alexander et al., 1990; Commons et al., 1984, 1990; Cook-Greuter, 2005, 2008; Damasio, 2006; Goleman, 2000, 2002; Kegan et al., 1990; Koplowitz, 1984; Wilber, 2000c). Having decided to embark on the healing journey through shadow work, the participants began the second phase of the *Hero’s Journey* (Campbell, 1949/1968), namely the *Initiation* phase.

The Initiation of the Investor

Through their extraordinary human experiences that gave them a taste of the hidden and much larger dimensions of reality, the research participants pursued their inner growth with the same dedication with which they developed their careers. They took advantage of the best available resources including teachers, therapists, coaches, and counselors. Their spiritual experiences eased their pain, gave them additional resources, and changed their lives to the better. For a while, they lived the life of a “closet mystic” or that of a “spiritual dilettante.” They learned about and exposed themselves to a whole host of techniques, philosophies, and teachings. However, at some point, the research participants discovered one certain teacher and/or method which worked best for them and which they practiced for a longer period of time, sometimes for several decades. A notable fact common to all research participants was their inner yearning for a common sense spirituality that explicated their mystical experiences and transcended traditional religious norms, which all of them rejected. In the beginning, their

extraordinary experiences conflicted also with their scientific education, which had neither room nor the proper language to explain what had happened. Yet, their ongoing ability to experience these peak states paired with the enormous amount of research data available in this field permitted them to come to terms with and settle within their new identity.

One investor described this *Initiation* phase of his life as follows

It was like going through a college program, which is a rapid introduction to something and exposure to something—Like turning on a fire hose. This was like drinking out of a fire hose. In this area, MIT and Stanford Business School were like drinking out of a fire hose for academic and business issues. This was like drinking out of a fire hose for emotional, spiritual and consciousness issues.

The transpersonal and “unitive experiences” healed and transformed the research participants in significant ways. During their *Initiation* phase, they (a) learned how to “reconnect to that authentic self”; (b) realized that we are all “part of oneness, a greater whole”; (c) developed the ability to understand their “own consciousness,” the “collective consciousness” and how we “are part of that greater human consciousness and then beyond”; (d) understood the dimensions and interconnectedness of body, mind, and spirit”; (e) became more “rounded [and] balanced”; and (f) received “structure and specific knowledge” on how to continue to grow on the path to self-actualization. In short, the research participants moved from their previous ego/ethno-centric orientation toward a more world- or even spirit-centric dimensions of life. Their transpersonal experiences lead the investors to asking essential questions such as “Who am I? “Why am I here?” “Is this it?” and “Why do I let the mob psychology [of Wall Street] tell me whether I was having a good day or not?” Their new lifestyle encouraged them to question more deeply the status quo of their lives and the world as a whole. Eventually, they noticed the “collective insanity” of the “money game” and questioned whether the “standard operating procedure” for a “successful” person was still the game they wanted to play.

Eventually, they noticed that (a) they were not “manifesting” their *raison d’être*, (b) the values they had “adopted” were not “self-selected,” and (c) they were “following a script that was not” authored by them. As they “looked into the future” and saw the “endless stream of closing quarters” that are the essential driving force in the financial and business worlds, they detected the “almost mind numbingly impossible monotony around the trajectory” on which they were. They comprehended that the rewards “were running out” and the next “gold ring” was no longer tempting. They saw that there were “fewer [attractive] jobs left” in the world and that “maximizing shareholder value” was no longer enticing. Their value system shifted from their need to control the future to being present in the now. The overall value shift is represented in Figure 10 below.

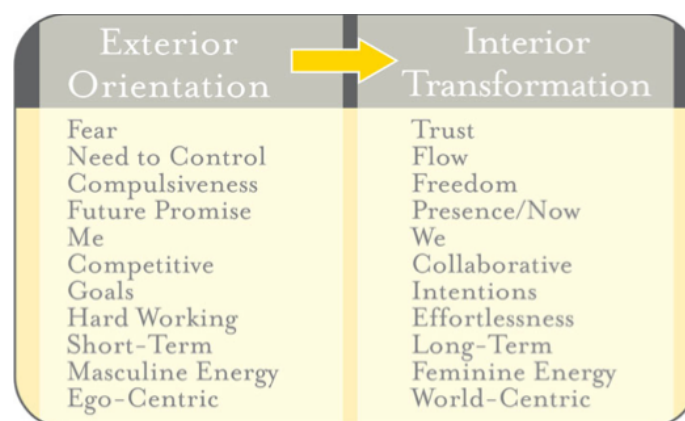


Figure 10: Investors’ Behavioral and Value Shift through the Hero’s Journey.

One investor described his transformational shift from “me” to “we” in the following way

At the time, I had no clue what was going on. Basically, I was being rewired. Everything I used to think was important was no longer important to me. It was me, me, me and my fabulous career and how do I help create more money for the company, so I can create more money for me and more success for me and more power for me? I was never a bad guy, but it was just a small game. It felt like a big game. I thought it was the biggest game in town. But suddenly when I was rewired, it felt like the smallest game in the universe. When you really make that shift and you start playing for an idea bigger than yourself and you start sensing into what is that divine creative impulse that’s seated within me that is

my gift to the planet? Within that surrendering was recognizing that there's something unique within me that I was born to become and that by surrendering to that, by paying attention to that, by allowing that to emerge within myself, that I could play a much bigger game, a much more fulfilling game, a much more meaningful game in terms of being able to create from that space in service to a much deeper and broader concept.

All researched investors confirmed that they are now “less concerned with material things” as they were before. They do not “need as many things as” they used to need. In fact, “things sometimes get in the way” of what they are “trying to do.” Furthermore, they seem to not “care about showing off” or “accumulating things” anymore. Through their transformation, they also “saw the hollowness” of money and material orientation. They realized there are “a lot of problems that money doesn't solve,” and that “it's not all about the money” but also “freedom of expression and creativity.”

Equipped with *The Ultimate Boon* (Campbell, 1949/1968), such as new tools, skills, and a much deeper understanding about their “unlimited potentials,” the “interconnectedness, the oneness, and the holistic nature of things,” the research participants were ready for the next step in their lives, the *Return* phase of the *Hero's Journey* (Campbell, 1949/1968). There was “no going back” and “change became unavoidable.” Being outstanding leaders in their field of investing, finance, and economics, the research participants felt the responsibility to follow their higher calling and have a greater impact in the world. Their calling was in all cases driven by “a purposeful life” in which they needed to leverage their money and “talents to make a meaningful and impactful contribution to the sustainability of the planet.” Therefore, they began to shift their investment portfolios from profit-only investments to include impact investments. However, they also recognized that profit was a key component of a sustainable investment portfolio and could not be reduced to observing EGG criteria only. Nevertheless, they soon recognized that Wall Street was far from providing the integration between traditional investing and impact investing.

The Return: Changing the World

After their life-changing transformations, the research participants viewed their new life purpose in bringing consciousness into the domain of investing and business “in a way that creates sustainable change relative to the human beings on the planet and ultimately bringing spirit into manifestation.” Through their changed behaviors, the investors were determined to have an even “bigger impact” in the finance and business world than before and in a much more integrated way. They saw investing, economics, and business as an “incredible laboratory of consciousness” in which the integration of the interior with the exterior dimensions of life are of outmost significance. They (a) regarded “societal analysis [as] a spiritual discipline;” (b) viewed economy as part of a “deep spiritual practice;” (c) wanted to “move capitalism beyond the pure maximizing of profits” by bringing people and the planet at parity to profits; (d) desired to “explore and lead and show different ways of creating social enterprises and different financing mechanisms that are behind that;” (e) believed in “engaged spirituality” in investing and business; (f) wanted to work on “different governance models and different business models” to start integrating their mission with their evolving “human condition;” and (g) continued to make sure they are “taking care” of themselves and their “community at the same time.” In short, they now seek to lead a “purposeful life” in which they use their talents and the process of “consciousness development, to make an impactful contribution to integral and “holistic sustainability.” They became pioneers of change.

Summary

Further research would have to be performed, however, the current study is significant in that it supports the major hypothesis of this paper that leading edge investors are currently

transforming to be more holistic in their worldviews and personality structures. They are evolving to later stages of consciousness and human development. From this changed perspective, these so-called integral investors appear to have moved from an egocentric or ethnocentric to a more world-centric perception of the world. This enables them to use their wealth to address current global challenges and have fun doing it. The joy aspect is significant in that it differentiates integral investors from impact investors who are often driven by fear and guilt. They are called integral investors, because they make their financial bottom line even more successful by adding interior metrics such as culture, ethics, and emotional property to the exterior ones such as financial, social, and environmental. Integral investors are people who use their money to self-actualize and become more integrated human beings. They are people like George Soros, Al Gore, Bill Gates, or Warren Buffett who apparently find their true life's purpose by serving humanity. Integral investors are leading the field of investing by implementing parity between people, planet, and profit rather than preferring one aspect at the expense of the other two. These investors are the co-creators of the next paradigm in investing, whether they call it integral investing or not. Its model is based on the essence of all existence, the interior as well as exterior reality. It is a reality in which high financial returns are inseparable from a high social, environmental, cultural, and an ethical impact, as well as individual self-actualization and happiness. Integral investors view themselves as global citizens who use their money and influence to address world issues such as the implementation of the (2009) Consensus and the Millennium Development Goals (2009).

The consequences of this research for the future of Wall Street, investing, banking, and financial industry is manifold and includes (1) an enhanced understanding of the participating human agents and support on how all participants can self-actualize through wealth creation; (2)

enhanced risk mitigation skills and portfolio management tools that go beyond the regular market offerings in investing, finance, and business; (3) integral metrics and tools to achieve parity of people, planet, and profit; (4) the need for better reporting and portfolio managing tools across the board; (5) better understanding in the *real* value proposition of investment markets; (6) superior tools to handle generation conflicts within family offices of high and ultra high-net worth individuals; (7) enhanced ability to build superior investment strategies based on a integral value system; (8) attracting a healthier deal flow and investment opportunities; (9) ability to aggregate more capital for the greater good of people and the planet, and (10) freedom to allow the joy of life, happiness, and beauty to become an integral part of measuring investing and financial success.

It is important to note that the intention of this paper is not to imply that later stages of human development are better and *the* absolute solution to the current crises. Much more important is the healthy integration of all four Wilberian quadrants (culture, social, environmental, behavioral, and experiential) discussed earlier no matter which evolutionary level is considered. Moreover, the main lesson learned from this research is that we are all looking into a bright and exciting future if we are willing to grow and reinvent ourselves anew every single day. It is a future in which the new emerging paradigm in investing, economics, and business is but one significant aspect of the overall paradigm change in the world today. From the global perspective, finance, next to politics, is the driving force of the world economy. Therefore, those of us who actively participate in the investing world in a conscious manner feel not only the need to challenge the way investing is currently being performed, but have the responsibility to change it. Integral investors are paving the way. Having reached higher levels of consciousness, they have transcended fear, angst, and the feeling of separation from other human beings and the

universe. Therefore, they use their wealth to serve humanity out of pleasure, happiness, and the joy of being alive in the 21st century. They define and implement a new paradigm in investing, economics, and business out of their newly gained feelings of interconnectedness and unconditional love for all sentient beings. This worldview is based on all aspects of existence, the exterior but much more so the interior reality. Will we be able to come up with an effective and efficient solution to our problems comparable to the ones initiated by Lorezo Di Medici who sparked the Renaissance Enlightenment? That is hard to tell. Integral investors appear, however, to be the DiMedicis of today. Let us hope that their legacy will be just as remarkable.

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