Social Capital Investing – How to Grow Assets Beyond the Financial

Overview

- Traditional retirement investing
    - Risks and strategies
- But what about the metacrisis?
    - Black swans, theories of collapse, chaos and complexity
- Social capital as an extra layer of risk mitigation
    - What holds value when institutions fail?
    - Strategies for growing social capital

Traditional Retirement Risk Management

- Longevity Risk
  - Will you outlive your funding?
- Market Risk
  - What happens if markets decline?
- Inflation Risk
  - What happens if prices rise?
- Cognitive Impairment Risk
  - How can elders be secured against scams or too much complexity in financial management?

Source: https://www.tiaa.org/public/transitioners/four-common-retirement-risks

Traditional Retirement Risk Strategies

- Longevity Risk
  - Annuities, pensions
- Market Risk
  - Annuities, pensions
- Inflation Risk
  - Stocks, real estate, gold, other tangible assets
- Cognitive Impairment Risk
  - Annuities, pensions, trusts, advance directives, power of attorney

Source: https://www.tiaa.org/public/transitioners/four-common-retirement-risks

Impact of the Metacrisis

- Longevity Risk
  - From "Outliving Your Money" to "Outliving Institutional Stability"
- Market Risk
  - From "Cyclical Downturns" to "Structural Paradigm Shifts"
- Inflation Risk
  - From "Monetary Policy" to "Resource Scarcity"
- Cognitive Impairment Risk
  - From "Memory Decline" to "Epistemic Collapse"

Source: Retirement planning through the lens of the metacrisis

Metacrisis Risk Adaptations

- Longevity Risk
  - Localized resilience. Multi-generational community networks
- Market Risk
  - Land, water, housing, energy – all localized
- Inflation Risk
  - Local food networks, off-grid energy, personal practical skills
- Cognitive Impairment Risk
  - Sensemaking networks, distributed decisions, embed elders in community

Source: Retirement planning through the lens of the metacrisis

Community as “Socal Capital” – How to Invest?

- **Boundary-Spanning "Weak Ties“**
  - Network outside of immediate circles to form diverse connections
- **Multiplex Relationships**
  - Deepen and broaden existing personal relationships
- **Generative Mentorships and Sponsorships**
  - Elders should “pay it forward” to younger generations
- **"Crucible" Collaborations**
  - High-stakes, time-sensitive projects form the deepest bonds

Source: Best relationships to build social capital

Summary

- Money can’t buy love! Especially when metacrisis collapse takes financial systems down.
- If extended multi-generational family is not available, “roll your own!”
- Elders – make yourselves useful! If physical work is no longer possible, consider how to leverage your life experience as a mentor.
- To reduce global risk, focus on local resources and local action.