Original Article

Metrics millennium: Social impact investment and the measurement of value

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Abstract "It is not enough just to incentivise social investments. We need a robust way of measuring their value…" Thus spoke Prime Minister Cameron at the start of the G8 Social Impact Investment Forum in July, 2013. In this article I investigate the elite narratives and practices of measuring social value in the rapidly expanding arena of social impact investment. Assumptions about the neutrality and transparency of metrics, translated through popular terms such as "best practices" and "evidence-based policy," give legitimacy to new forms of governance, such as are manifested in contemporary instruments of social finance now emerging in Europe. Many of these terms and practices are derived from influential philanthropic actors such as the US-based Bill and Melinda Gates Foundation; they are further disseminated globally by celebrity humanitarians like Bono, who connects policy-makers, financiers, and philanthropists in a rapidly widening network of social impact investment stakeholders. These now global webs of belief about efficiency and modern forms of measurement in philanthropic practices are mobilized by political elites in Europe, who draw on the scientific rationalities of expertise to nudge governments toward market-oriented solutions to contemporary social problems.
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Introduction

The G8 Social Impact Investment Forum held in June, 2013 in London, was the first of its kind. Presided over by the newly elected G8 president, Prime Minister David Cameron, it brought together a hybrid group of philanthropists, senior politicians, business leaders, academics, and social entrepreneurs to network and deliberate. The idea behind the forum was to establish a platform of governance in which the key players in each of these sectors could meet to initiate "the process of catalysing the global market for social impact investment" (G8 Social Impact Investment Forum Outputs and Agreed Actions, 2013: 3).

The 2013 Forum provides a good lens on a number of processes related to the shifting contours of elite European governance. In this paper I focus on two of those processes, which are interrelated. The first is the increasing prominence of social impact investment (SII), a variant of venture philanthropy or philanthro-capitalism, which operates with the belief that doing well by doing good or, more literally, "doing good by doing good business" is the best approach to solving entrenched social problems (Burger, 2014: 1). In the SII logic, social investment is no longer conceptualized merely as "doing good," in the sense of providing needed social assistance, but also involves "doing well" vis-à-vis bringing a profitable return on the initial investment. In the language of the G8 Forum this was framed as "the use of finance to tackle entrenched social issues;" in the words of Big Society Capital, the UK bank set up to facilitate it, the importance of return on investment (ROI) was made even starker: "social investment is the provision of finance to generate social and financial returns."[1]

The second process is intricately related to the first as it involves the implementation of the SII logic. In order to generate social and financial returns it is necessary to know exactly what those returns are. But how are "social" returns to be measured? The critical nature of these metrics was made clear in Cameron's introductory speech to the SII Forum. He said, "It is not enough just to incentivise social investments. *We need a robust way of measuring their value* and in doing so connecting businesses that deliver social and environmental value with investors seeking both a social and a financial return." He went on to introduce the launch of the "world's first Social Stock Exchange" as an online portal and information platform for the transparent exchange of this market-oriented knowledge.[2]

Cameron's speech invoked a new logic of governance, one in which public–private partnerships between investors, philanthropists, businessmen, and government actors will lead the way in administering and caring for marginalized millennial populations. In this article I am interested in the processes through which the scientific rationalities encoded in social value measurement give legitimacy to elite political narratives such as these – the narratives of superior knowledge and ethical practices in humanitarianism and the best way to care for and aid the needy (see also Reid-Henry, 2014). I am also interested in the global networks through which these narratives travel (cf. Roy, 2012b). Assumptions about the data-oriented efficiency and accuracy of metrics, often translated to the public through popular business lingo such as "best practices," "evidence-based policy," and now "factivism," enable political elites in Europe and elsewhere to use the rationale of science to point government and its multiple partners toward market-oriented "solutions" to social problems; this nudging also involves the enrollment of the needy and their representatives and sponsors to these forms of market-based partnerships despite the frequent derivation of the initial problems in the market itself (Mitchell and Sparke, 2016; Mitchell and Lizotte, 2014; Olmedo, 2014; Roy, 2012a).

From where are these ideas derived and how have they become so prevalent? The logic of metrics, as a non-state process of social science knowledge production, gains traction and authority through the discourse of neutrality and transparency (Ajana, 2013; Rose *et al*, 2006; Rose, 1999). These are also the discourses of advanced liberalism and are often positioned *in opposition to* the purported biases, inefficiencies, and opacities associated with government bureaucracies (Rose, 1996). Transparency and expertise are heralded as the answer to the blockages of closed systems, inefficient administrations, and the crony capitalism assumed to be inherent in many governments, especially non-western ones; as such it often justifies the end run of public–private partnerships around the state in many developing countries (cf. Li, 2007; Mitchell, 2002; Ferguson, 1990).

The language and logic of SII and social value metrics also operate to obscure the depth of the state–capital relationship and to exculpate government from any lingering Keynesian tendencies toward a more prominent role as social provider. While the G8 President and UK Prime Minister David Cameron lectured at the Forum on the important role of government in leading social finance initiatives, in fact the state remains conceptualized in these scenarios as more of a partner than an entity with autonomous sovereign authority. Contemporary state practices of power and persuasion reside in the facilitation of these hybrid market partnerships and in fostering the market in areas of obvious and persistent market failure rather than in demonstrations of sovereign authority such as policing market rule or providing for its citizenry (Kapoor, 2013; Žižek, 2008).

In this article I investigate the rapidly growing phenomenon of social impact investment in Europe and the discourses and practices surrounding the social science metrics that are associated with it. The language of expertise and best practices, as promoted by humanitarians and philanthropists such as Bono and Bill Gates and elite European politicians such as Cameron, has become part of common sense “humanitarian reason” in the 21st century (cf. Fassin, 2011). How did this happen? How did the elite discourse of these different players converge on concepts of social investment and entrepreneurialism and the importance of metrics and transparency at approximately the same time?

To answer this it is necessary to examine the contemporary context and historical roots of these particular scientific rationalities. I examine where these ideas came from and where they are heading, and how they come together in common sense assumptions and webs of belief about the most effective manner of providing social services and humanitarian aid to recipients. Providing a genealogy of philanthropic ideas and practices and bringing the past into the present can help to illuminate the many ways that contemporary actors respond and adapt to the historical traditions they inherit. It allows us to see the actions and situated practices of individuals such as Cameron, Gates and Bono within a broader framework of modern liberal ideas about individual freedom, human capital, efficiency, expertise, and the purpose of charity – ideas and beliefs that help to comprise the larger rationalities of liberal governance.

Bevir (2010: 438) notes that "even as the central elite may well conceive of the world using diverse narratives, so they often turn to forms of expertise to define specific discourses… A genealogical approach reinforces the existing work on governmentality: It draws attention to the technologies of power that inform policies across different territories and different sectors." Here I focus on the growing sector of ISS and the elite narratives of a number of different players, including businessmen-turned philanthropists, senior politicians, and rock star humanitarians. In the first section of the paper I excavate the roots of these webs of belief. Following this I provide some indication of the contemporary scale and extent of impact investment worldwide. In the penultimate section I pursue, in greater detail, some of the multiple ways in which these webs of belief have traveled globally over the past decade and a half.

Genealogies of Self-Care and the Culture of Expertise

> Naturally, if companies are going to get more involved, they need to earn some kind of return. This is the heart of creative capitalism. It's not just about doing more corporate philanthropy or asking companies to be more virtuous. It's about giving them a real incentive to apply their expertise in new ways, making it possible to earn a return while serving the public who have been left out. (Bill Gates, quoted in Kiviat and Gates, 2008)

The roots of contemporary SII can be traced to millennial foundations such as the Bill and Melinda Gates Foundation (BMGF), and back further to early 20th century "scientific philanthropy" as it was practiced in the USA by figures such as Andrew Carnegie and Nelson Rockefeller. The ongoing deference to a culture of expertise, profound belief in individual improvement and self-care, and reliance on social science methods all show a clear link to this earlier period. Although these types of governmental rationalities have taken different shape in different socio-spatial milieus and are morphing into specific variants in the contemporary period, they nevertheless reflect some of the overarching social science traditions and technologies that continue to inform funding policy in this area.

While less visible through the mid-century, the so-called scientific rationalities and practices of Carnegie *et al* have been gaining traction once again with the rise of the large private foundations of the early 21st century. These contemporary foundations include many that were established with money from the high tech and dot.com era, as well as late 20th century finance capital and real estate money. In addition to BMGF they include organizations founded by Michael Bloomberg, George Soros, the Buffett family, the Walton family, and many others – all of whom have donated vast sums of money to social aid ventures and programs worldwide.

Although the backgrounds and life stories of these philanthropists vary widely, there are a number of similarities as well; these stem primarily from the shared context of making or managing money in the post-industrial era. For example, seventy-eight percent of the top 100 wealthiest Americans in 2013 derived the profits on which their foundations are based in the fields of finance, technology, retailing, telecommunications, media, insurance, or real estate, where profits come primarily from financial investments, rents and associated practices of patenting and capitalizing on intellectual property rather than the production of goods.[3]

The manner in which the money was made, the context of its accumulation, and the players themselves are all critical components in the rise of SII and the metrics-oriented culture that has developed around it. SII is a variant of philanthro-capitalism, a form of charitable giving in which the tools, concepts, and logics of the financial world are brought to bear on the practices of aiding the marginalized and the underprivileged (Bishop and Green, 2008). Philanthro-capitalism adopts the logic of finance capital and business management in the emphasis on return on investment (ROI), the leveraging of funds, evidence-based assessment, scalability, and targeted sites for investment. The programs funded under this rubric emphasize capacity building and the development of human capital. They are usually short-term, with numerous partners and easy exit strategies in the case of individual or program failure; these are generally measured by benchmarks mutually adopted by both donors and recipients (see for example the case studies in Kremer *et al*, 2009).

The use of benchmarking practices in assessing the effectiveness of social aid programs and delivery vehicles indicates the growing interest in business-type standardization as well as the deference to experts, who derive their expertise from being cognizant of best practices across the social aid spectrum (Roy, 2010, 2012b; Guthman, 2008; Li, 2007). The idea of comparing best practices from one aid program and one region to another is seen as the core of new models of efficient, high-impact, high return social aid delivery, as evident in the speeches of contemporary philanthropists such as Bill Gates. He remarked in characteristic language at an AIDS Society conference in Vienna in 2010, “We want to broaden treatment. The only way to do that is efficiency… It is clear from some countries where treatment costs are quite low that if we take best practices and spread those around, we can really do a lot better there” (Gates, quoted in Fox, 2010).

In addition to the strong belief in efficiency and rational systems (diffused through sharing global best practices), another feature of philanthro-capitalism is in the approach to human capital development and the idea of individual self-improvement for the greater good. The foundational underpinning here is that of productive contribution to the liberal marketplace and the rights and responsibilities of individuals to "lift themselves" up in order to do so. As indicated on the Gates Foundation Fact Sheet: "Guided by the belief that every life has equal value, the Bill & Melinda Gates Foundation works to help all people lead healthy, productive lives. In developing countries, it focuses on improving people's health and giving them the chance to lift themselves out of hunger and extreme poverty."[4]

It is this faith in individual self-improvement for the overall good, combined with the desire for efficiency and deference to expertise that most clearly reflects the earlier scientific philanthropy traditions. Carnegie (1962: 26), for example, wrote of his desire to administer his wealth wisely, without wasting it on actions of indiscriminate charity or on the undeserving: "In bestowing charity, the main consideration should be to help those who will help themselves; to provide part of the means by which those who desire to improve may do so." This logic of individual self-interest and the development of human capital in the general good was itself borrowed from the classical liberalism of Adam Smith, who wrote famously: "It is not from the benevolence of the butcher, the brewer, or the baker that we expect our dinner, but from their regard to their own interest. We address ourselves, not to their humanity, but to their self-love, and never talk to them of our own necessities, but of their advantages" (Smith, 2009 [1776]).

Carnegie's writings reflect the germination of a modern liberal discourse in philanthropy, one in which individuals are recruited into modes of self-care and individual responsibility. These early technologies of the self, underpinned by philanthropic funding of the type offered at the time by both Carnegie and Rockefeller, emerged as rational practices of the scientific era and manifested the incipient interest in governing individuals at a distance. In the break from the traditional charity of piecemeal or sporadic gifts of benevolence often given in the name of God, Carnegie signaled the rise of a modern formation of giving (Lagemann, 1989). This formation relied on the hard structure of material opportunity as well as the soft technologies of personal responsibilization and self-care.

As Rose (2006, 1999) has indicated, these rationalities of self-care have burgeoned and transformed with the development of advanced liberalism and its associated governmental technologies. *Homo economicus* is now assumed as a universal millennial subject; it is a figure "associated with "enterprise and production" not the liberal figure of exchange or consumption" (Brady, 2014: 20; Foucault, 2008); moreover, governance of this figure consists of "setting conditions and devising incentives so that prudent, calculating individuals and communities choosing "freely" and pursuing their own interests will contribute to the general interest as well" (Li, 2014: 37; see also Read, 2009). Governing well involves providing the proper incentives so that neoliberal subjects are nudged in the proper directions. Expert knowledge assists in how these incentives can be best prepared, administered, and adjusted so that rational actors have the best, most up to date and transparent information available for their cost–benefit calculations of self-care.

But who is governing? As advanced states have increasingly devolved responsibilities for the management of health, education, and general social welfare outside their domain, various hybrid alliances have arisen to fill the void. Management in these areas has devolved to nonprofits, semi-autonomous regulatory bodies, professional groups, investors, and now philanthropists in multiple partnerships that traverse the globe (cf. Rose, 2006). These alliances manage target populations at a distance through the mechanisms of benchmarking, standardization, and expertise (Miller and Rose, 1990). They also rely on and *encourage* individuals and communities to perform cost–benefit analyses, be prudential, and to effectively and efficiently make their own rational choices and manage their own development.

In this vein, we can see the rise of philanthro-capitalism and its larger network of SII projects and practices within a broad set of liberal traditions and transformations. For example, venture philanthropists such as Pierre Omidyar, the founder of eBay, have linked the receipt of social aid with individual freedom and prudential self-management. This reflects the liberal roots of scientific philanthropy and even the moral sentiments of Adam Smith. But these contemporary assumptions also reflect the *neo*liberal rationalities of contemporary governance; all individuals are expected and indeed required to develop their own highly personalized human capital through the image, values, and logic of market-based forms of return. “Like eBay, Omidyar Network harnesses the power of markets to enable people to tap their true potential… We believe if we invest in people, through opportunity, they will create positive returns for themselves, their families, and the world at large… Omidyar Network invests in entrepreneurs who share our commitment to advancing social good at the pace and scale the world needs today… Omidyar Network: A World of Positive Returns.”[5] This type of sentiment manifests the logic of investment in human capital through the development of individual freedom, initiative and reason – as well as the interest in establishing and perpetuating market-oriented models and modes of thought in institutional structures and people through time.

Millennial philanthro-capitalism in the USA and contemporary SII assumptions in Europe thus mirror the earlier beliefs and practices of Carnegie *et al* but take them one step further. Now the logic of empowerment and rational self-care extends to partnerships between multiple sectors, including business, finance, NGOs, nonprofits, and both national and supranational governments. Moreover, all of these sectors are recruited into working toward the same ROI-based goal: developing human capital and “doing good” but even more importantly, *doing well* at the same time.

The SII discourse and practices made manifest in the G8 Forum, and other examples I discuss below are the most recent variants of this now global set of neoliberal philanthropic networks and narratives. Indeed, a recent opinion piece in the business magazine *Forbes* indicates the growing cross-Atlantic fertilization of these ideas. The article entitled "Is Social Impact Investing the Next Venture Capital?" was co-authored by Sir Ronald Cohen, the chairman of Big Society Capital of London, and Matt Bannick, Managing Partner of Omidyar Network, headquartered in Redwood City, California. In the piece the authors praise SII as a form of venture capital whose potential for solving social problems and providing a return on investment at the same time is "already happening" (Cohen and Bannick, 2014). In the following section I introduce a few more examples of this type of transatlantic project to demonstrate the prevalence and increasingly high stakes of contemporary forms of social impact investment for Europe.[6]

Impact Investment: The Invisible Heart of Markets

> The world is on the brink of a revolution in how we solve society's toughest problems. The force capable of driving this revolution is 'social impact investing,' which harnesses entrepreneurship, innovation and capital to power social improvement.[7]

SII and other modern forms of social finance are generally comprised of a number of different players in a mix of partnerships between the public and private sectors. For example, Big Society Capital (BSC), the London bank mentioned by Cameron in the G-8 Forum, is an independent institution lead by actors from the financial industry, government, nonprofits, and multiple UK-based charities. Its board members include individuals associated with Lloyds Banking Group Scotland, the National Endowment for Science Technology and the Arts, the Association of Charitable Foundations, and government advisors, among others. BSC's initial capitalization came from dormant bank accounts in the UK (approximately £400 million) and four UK high street banks, the so-called Merlin banks (£200 million). Attracting additional sources of investment from "diverse sources" was noted as one of the primary missions of the bank.[8]

BSC's *raison d'être* is to "help grow the social investment market." It sees this mission as made possible by "Promoting best practice and sharing information; Improving links between the social investment and mainstream financial markets; and Working with other investors to embed social impact assessment into the investment decision-making process."[9] The implementation of these goals can be examined over the 3 years since the bank was launched in 2011. Here I discuss just one of these programs – involving social impact bonds – to highlight some of the specific players, amounts of funding, and the associated practices through which social improvement programs were targeted for aid and managed for assessment.

Over the past 3 years BSC has invested £1 million in the Adoption Social Impact Bond and £10 million in the Bridges Social Impact Bond Fund. The former attempts to find homes for "harder to place" children through helping to "incentivise and support entrepreneurial VAAs (Voluntary Adoption Agencies)."[10] The latter provides support for social organizations that deliver services "designed to improve social outcomes through payment-by-results (PbR) contracts."[11] According to BSC, the investment works by providing capital upfront to organizations until they are able to *provide evidence* of their effectiveness in delivering "improved social outcomes" for their clients. For investors the Bridges Social Impact Bond Fund operates to diversify financial portfolios, while for recipients the funds enable them to join the world of financial risk and opportunity. In both cases, the eponymous bridges that are formed link investors and recipients to the world of credit. And in both cases assessment and quantifiable forms of evidence are critical features of borrowing, repaying, and ROI possibilities and practices.

Another example of the growing presence of SII in continental Europe and its partners is the European Commission's Agenda for Change strategy. This new strategy similarly foregrounds poverty reduction and development through "harnessing the vast potential of the private sector."[12] It also foregrounds assessment and accountability as key technologies of program compliance. As with Cameron's agenda at the G8 Forum, the European Commission has established SII as a central platform for the European Investment Bank (EIB) in its lending practices to Africa, the Caribbean and Pacific (ACP). According to EIB documents, nearly two-thirds of the bank's lending in ACP regions has targeted private sector operations over the past decade.[13] The bank is currently involved in 1300 projects in 92 countries, with total lending of approximately €16 billion.[14]

The transition from the public funding of large-scale infrastructure projects and financial sector development to a more targeted, quasi-private, microscale approach began with the Cotonou Agreement (2000–2020). The approach now emphasizes the role of the private sector in multiple forms of hybrid partnerships with local banks and other entities and supports local entrepreneurs and small- and medium-size enterprises over large-scale horizontal or government-led projects. Under the Cotonou Agreement the EIB has also created the ACP Investment Facility, a "risk-bearing revolving fund" that utilizes European Development Fund resources for the financing of private sector development.[15] According to EIB documents, approximately €3.5 billion has been directed to the private sector through the Investment Facility, and social impact projects are now one of the key areas of funding priority. Moreover, in language similar to that of BSC, funds are made available to this priority area on the condition that they "commit to impact objectives, measurement and monitoring."[16]

These examples from the UK and the EU indicate the increasingly prevalent discourse of social impact investment, the high amounts of funding involved, the transition to public–private partnerships, the emphasis on measurement and assessment, and the growing number of SII entities and operations worldwide. In this sprawling network of ideas and practices one of the key nodal points to which capital and actors are drawn and policy mobilized is the BMGF. The individual role of Bill Gates will be addressed more fully in the next section, but it is important to briefly note here both the scale of this foundation and its outsized impact on the narratives and practices of politicians, NGOs, and other humanitarians in Europe and globally.

In terms of raw figures, the BMGF is the largest private funder in the world. It advanced grants to various charitable organizations in the overall amount of approximately $5.5 billion in 2013; of that amount, $3.3 billion was earmarked for global programs, most of which was invested in global health.[17] Global health is a useful lens through which to investigate the spread of SII logic in Europe, as it is a priority for the EU as well as many individual European states. For example, The Global Fund to Fight AIDS, Tuberculosis and Malaria, which was founded by the BMGF in 2002, is heavily supported by the European Union; by the end of 2012 the European Commission had contributed $1.5 billion to the fund and was the sixth largest donor after the USA, France, UK, Germany and Japan.[18]

In 2012 the Global Fund embarked on a new strategy of funding termed "Investing for Impact." According to the fund's website, this 4-year strategy "is an ambitious framework to transform the Global Fund into the most effective vehicle for investing in impact on the three diseases." Key features of the new strategy show great similarity to those of the BSC and the EIB enumerated above. These include greater public–private partnerships, investing more strategically "in areas with high potential for impact and strong value for money," emphasizing sustainability and thereby attracting additional funding, and supporting the implementation of programs with "more active grant management," i.e., practices of assessment. All of these foci, moreover, were reviewed in 2014 with respect to effectiveness by an "independent body of experts," the Technical Evaluation and Reference Group.[19]

The contemporary scale and extent of impact investment is enormous and steadily increasing. In this section I indicated the growing importance of SII narratives and programs in Europe. Additionally, I pointed to some of the connecting nodes – such as the BMGF – in this spreading network of ideas and practices. The proliferation of this type of SII "common sense" raises the question of how this web of beliefs spread so rapidly and so widely. Why and how did the language and institutional logics and practices of self-care, expertise, and incentivizing and measuring market-based "solutions" to social problems so effectively permeate the sphere of elite governance in European societies? To examine these questions further I turn to the interactions of celebrities, philanthropists, and elite politicians, and the formation of larger networks of belief and action over the past decade and a half. Beginning with the movements and performances of the rock musician and celebrity humanitarian Bono, I offer these illustrations as a few examples of the many ways that general narratives are formed and spread that can inspire and influence actors in the formulation and implementation of policy (Bevir, 2010; see also Roy, 2012b).

Elite Networks and Narratives of Evidence-Based Policy

Bono first began his public involvement on behalf of the poor and sick in Africa in the 1980s, with concerts set up by Bob Geldof of the Rolling Stones. He continued with a number of high profile causes, including the Jubilee 2000 movement (later renamed "Drop the Debt") and DATA (Debt, AIDS, Trade, Africa), founded in 2002. Bono's connections with other elite players during these years included Paul Martin, Tony Blair, Bill Clinton, George W. Bush, Junichiro Koizumi, as well as a number of members of the EU. The contact with Clinton in 2000 led to a long-term alliance and effort to help with debt relief through congressional allocations. Clinton said at the time that Bono's "passionate devotion" to his causes brought together a diverse group of politicians (quoted in BBC News, 2000).

This bipartisan effort was particularly evident after Bono went on a tour of four African countries with the US Treasury Secretary Paul O'Neill in 2002. His interest in networking with and influencing the highest levels of government were reflected in his statement to O'Neill at this time, "We're not asking for money here. We feel we've already been given the money. We're asking you to give the President permission to spend money on this problem" (Falsani, 2003). In addition to traveling with the Treasury Secretary and lobbying then President Bush, Bono also spent time with other senior bureaucrats and conservative politicians in the early 2000s, including Jesse Helms, a stalwart opponent of AIDS spending, whom Bono "won over" to the cause through his emotional evocation of religious motifs and themes in their meeting (Bunting, 2005).

In more recent years Chancellor Merkel, Prime Minister Cameron, President Hollande, and President Obama have met with Bono on a number of occasions. In one statement from Bono's advocacy group ONE, it was made clear that the point of a get-together with President Obama was to "discuss the administration's development strategy heading into the upcoming G-8 and G-20 meetings in Canada and September's U.N. Summit on the Millenium Development Goals" (Quoted in Cooper, 2010). In a number of comments and tweets by Bono following this "discussion," an egalitarian camaraderie between equal players was implied.[20] His high status in these types of meetings is also evident in photo images and press statements, where he is positioned prominently alongside the senior politicians, and also in recent years frequently in juxtaposition with other "celebrity" philanthropists such as Bill Gates.

Foundations such as the BMGF often leverage their grants by demanding matching funds or public contributions. In addition, large foundation gifts tend to receive great publicity, and highly successful businessmen who lead foundations are frequently invited to share their opinions about the problems and solutions of the sectors in which their foundations are involved – even if these areas are completely unrelated to their own areas of expertise. In 2005, for example, Gates was invited to speak at the National Governors Association education summit held in Washington DC. In his speech he decried the state of public education in the USA, using strong language to indicate the depth of the problem, particularly in the nation's high schools (Gates Foundation, 2005). At the time of the speech the BMGF was soliciting and approving grants to public high schools that were interested in restructuring, particularly those that were forming smaller schools within the larger comprehensive high school framework. Gates' speech was made against a backdrop of this major new direction in his foundation's philanthropic goals; thus, as he spoke about the multiple ills of high school education in the USA, especially for minority children, he was also advocating the reputedly more efficient and effective "small-school" solution through the targeting of his foundation's funding largesse.

In addition to his invitation to speak at the governor's summit Gates has also been interviewed for multiple articles with the print media, including the *Wall Street Journal*, *The Chronicle of Higher Education,* and *Rolling Stone* magazine, as well as numerous stints on television programs such as Charlie Rose. Like Bono, he too has met with elite politicians in the USA and Europe on several occasions. The overall media coverage of Gates' philanthropy increased even further when Warren Buffet allied his fortune with BMGF in 2006. Following this, there was a virtual bonanza of stories heralding the possibilities inherent in the meeting of these two gigantic fortunes. The majority of the articles used laudatory words such as "historic," "inspiring," and "skilled" – the latter referring to the presumed brainpower and organizational skills necessary to give money away well.[21]

Indeed, the theme of most of the interviews and articles was what constitutes "successful" philanthropy, especially how the billions of dollars that the Gates family had accrued through Microsoft would be or should be effectively spent – and why these particular choices were being made over all of the other charitable possibilities and practices. The question of efficiency, carefully juxtaposed with "inefficiency," was a constant motif in the articles and interviews, with the assumption that the business model espoused by Gates would triumph over the presumed inefficiencies, opacities, and irrationalities of the public sector.

The obvious business savoir-faire of both Buffett and Gates is translated into every conceivable area, and the idea that everything they touch can and should be run like a business quickly becomes common sense. This is especially the case with large private foundations, where the donor's right to become involved in the decision-making of the foundation runs seamlessly into the assumption that he or she also knows how to improve the organization through the application of business techniques, often expressed in language such as strategic investing and best practices.

The intersection of laudatory media coverage, the prestige of successful businesses, and the emotional resonance of “doing good” is an irresistible trifecta. The attraction for politicians to be part of this emotionally potent mélange extends from policy formulations to hiring practices. This is evident, for example, in the fact that several Gates Foundation former employees now work in the White House, and vice versa.[22] Many high-ranking politicians, such as the education secretary Arne Duncan, have received grants from BMGF in earlier career stages and have hired Gates officials to work for them in government. Secretary Duncan, for example, hired as chief of staff the former Gates official Margot Rogers; in another capacity he also hired James Shelton, a former program officer at BMGF.

Gates and the organizations he funds frequently and consistently promote the use of social value metrics in assessing the efficiency and effectiveness of aid delivery. These metrics are perceived as neutral and politically value-free, reflecting the hard truth of hard science. When pressed about the political impact and backlash against some of his funding, especially in pushing for reform-oriented “standards” in education, for example, he noted with irritation, “These are not political things… These are where people are trying to apply expertise to say, ‘Is this a way of making education better?’” (Layton, 2014).

The convergence of Bono’s evangelism for the poor and sick in Africa and Gates’s evangelism about data, evidence, and expertise occurred in 2013 in two events: a TED talk by Bono in March (at which Gates tweeted “I’m in!”), and a joint meeting and interview of the two men at the Forbes 400 Summit on Philanthropy in June, 2013 (Gillmor, 2013). At the first event, Bono began his talk by introducing the concept of factivism. He said:

> So I’m here to – I guess we’re here to try and infect you with this virtuous, data-based virus, the one we call factivism. It’s not going to kill you. In fact, it could save countless lives. I guess we in the One campaign would love you to be contagious, spread it, share it, pass it on. (Bono, 2013)

Bono’s embrace of factivism or “fact-based activism” led him to introduce a number of statistics in his talk purportedly showing that the struggle against endemic poverty was winning, and the end of poverty was in sight. One of the key tools in this battle, he argued, was the use of “open data sets,” i.e., statistical transparency in combatting what was implied to be chronic corruption in African governments. In a classic trope setting neutral social science data versus the political bias of undeveloped, insufficiently market-connected countries he noted how the transparency made possible through technology could arm individual activists for the poor to combat and circumvent the crony capitalism of national governments:

> And right now, we know that the biggest disease of all is not a disease. It’s corruption. But there’s a vaccine for that too. It’s called transparency, open data sets, something the TED community is really on it. Daylight, you could

> call it, transparency. And technology is really turbocharging this. It's getting harder to hide if you're doing bad stuff. So let me tell you about the U-report, which I'm really excited about. It's 150,000 millennials all across Uganda, young people armed with 2G phones, an SMS social network exposing government corruption and demanding to know what's in the budget and how their money is being spent. This is exciting stuff. (Bono, 2013)

These themes were continued in the Forbes Summit, where Bono and Gates met alongside 150 other billionaires, multi-millionaires, and social entrepreneurs to discuss their ideas about ending extreme poverty. Noting the importance of the overall network in disseminating these ideas, Bono said, "I couldn't do anything that I do without the Gates Foundation. We couldn't move, neither ONE nor (RED)." Their mutual influence, including Bono's conversion to social value measurement, came through in another quote from the day: "Bono on his emergence as a numbers geek: 'That's just me pretending to be Bill. I'm Irish, we do emotion very well. You're just experiencing some of it, and it can go on and on and on. I've learned just to be an evidence-based activist. Cut through the crap. Find out what works. Find out what doesn't work'" (Quoted in Lane, 2013).

The G8 Social Impact Investment Forum, held at Bloomberg's European headquarters in London on June 6, took place exactly 1 day after the Forbes 400 Philanthropy Summit at the United Nations in New York City. At the London Forum, Prime Minister Cameron and financier and philanthropist George Soros led the proceedings. In addition to Cameron's opening remarks, where he introduced the idea of the Social Stock Exchange, social impact bonds, and the Big Society Capital social investment bank, Soros also spoke in depth about social impact bonds. The idea behind these bonds, as with social impact investing more generally, is that a return on investment can be obtained, but that the return is contingent on the achievement of desired (and benchmarked) social outcomes. Social value measurement thus becomes a critical component in these forms of social entrepreneurialism.

Within months the messages of the G8 Forum and the Forbes 400 Philanthropy Summit began to take material shape in the establishment of SII task forces and in policies implemented worldwide. In September, the US-based Social Impact Investment Taskforce convened in Washington D.C.; in October the Global Impact Investing Network (GIIN) convened in London; also in October Bill Gates launched the Global Health Investment Fund (GHIF); and in December the Global Learning Exchange on Social Impact Investing (GLE) was launched at the World Economic Forum.[23]

The GHIF plan was unveiled by Gates and JPMorgan Chase in Oslo. The Fund allows institutions and individuals to invest in the research and development of vaccinations and high-impact technologies – mostly targeted at the developing world – with potential earnings returning to the investors. Norwegian Prime Minister Solberg met with Gates to discuss these types of initiatives and partnerships at the time. In language notable both for its acceptance of the role of equal stakeholder, as well as for its complete acquiescence to "sustainable business models" vis-à-vis humanitarian aid, she said in a speech:

> Norway aims to further develop our efforts to promote global health, in cooperation with all relevant stakeholders, such as the Bill & Melinda Gates Foundation. Norway and the Bill & Melinda Gates Foundation share an eye for innovation, both having contributed to making new tools and technologies such as vaccines available, and finding new sustainable business models for public–private collaboration. We both know innovation is key to getting more value for money and saving more lives (Officer of the Prime Minister Press Release, 2013).

Conclusion

The developing partnership between the Prime Minister of Norway and Bill Gates, as shown above, is one example of the larger networks and relationships that are currently coalescing around the ideas of social impact investment and ROI philanthropy. The partnerships are contingent and often transitory, but they reflect broader webs of belief about governance that are implicated in contemporary shifts in humanitarian aid and development policy worldwide (cf. Mitchell, 2016; Reid-Henry, 2014; Kapoor, 2013; Fassin, 2011). These ideas include the often deeply held and widely promoted beliefs that networks of individuals and institutions will function more efficiently than inevitably corrupt or incapable national governments and that the competitive entrepreneurial strategies and practices that worked for successful businesses should serve as the models for social aid programs and delivery. Metrics form a key component of this narrative, as social "value" must be assessed and assessable if a return on social investment is to be possible.

Measurement is the credo of the new millennium, and devising ways of measuring social value is just the latest arena to be colonized by the measurement mentality. At the same time, the intervention of metrics in human life and the social world has deep historical underpinnings, beginning with the rise of modern statistics and record-keeping central to modern forms of government (Ajana, 2013). While philanthropists such as Bill Gates and politicians such as David Cameron evoke the language of evidence-based policy and best practices as new approaches to the "science" of effective social aid delivery, they are drawing on a language and culture of expertise with deep roots; these are the roots of liberal governance and the logic of human capital development as evidenced in the scientific philanthropy of Carnegie and Rockefeller over a 100 years ago.

Then, as now, the power to make live and to make live *well,* are modern forms of managing life, technologies of governance that are made possible through biological forms of measurement (Foucault, 2008; Li, 2007; Rose, 2006, 1999). What *has* changed over the past decades is not this relationship between modern forms of liberal governance and biometrics, but the shifting coalition of players and the relationships between them and the market. What we might term late neoliberal governmentality also involves the development, guidance, and recruitment of neoliberal economic subjects through various technologies of development in self-care as a form of return on investment; these are coordinated and legitimized through diffusely articulated networks of actors, of which the state is just one of many "stakeholders." Contemporary policy-making reflects these shifting contours, with programs influencing health aid or educational reform just as likely to emerge from Washington State or Redwood City as from Washington D.C., London, or Brussels (Mitchell and Sparke, 2016).

Perhaps most importantly, the new configurations of elite actors and policy-makers who have emerged in areas such as social aid and care have taken up very specific positions within the larger framework of market capitalism in the 21st century. These networks have developed, at least partially, in response to the market failures of neoliberal globalization, those particularly evident catastrophes in health, education, the environment, and poverty reduction that brought together unlikely coalitions of market dissidents at the WTO demonstrations in Seattle in 1999. Contemporary actors now come together as change agents with reformed ideas and inspiring narratives of social impact investment in the context of these late 20th century conundrums. They help provide the expert, transparent knowledge and forms of assessment they believe are needed for informed decision-making, and they nudge actors (patients, parents, the poor) into appropriate choices vis-à-vis correcting social problems. Despite a willingness to acknowledge market limitations, however, the proposed "solutions" to these social problems remain firmly based in market rationales – indeed, often the very logics and practices that produced the problems in the first place.

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Notes

1 See Big Society Capital, http://www.bigsocietycapital.com/, accessed September 25, 2014.

2 Prime Minister: "Social investment can be a great force for social change", Gov.UK. Delivered on June 6, 2013. https://www.gov.uk/government/speeches/prime-ministers-speech-at-the-social-impact-investment-conference, accessed September 25, 2014. Italics mine.

3 The Forbes 400: The Richest People in America. http://www.forbes.com/forbes-400/, accessed October 1, 2014.

4 From the Bill and Melinda Gates Foundation, see http://www.gatesfoundation.org/Who-We-Are/General-Information/Foundation-Factsheet, accessed September 15, 2014.

5 From the Omidyar Network, see https://www.omidyar.com/who-we-are, accessed March 4, 2015.

6 The facts and figures presented here are derived from the websites and reports of organizations involved in contemporary SII dissemination and practices worldwide.

7 Report of the Social Impact Investment Taskforce. "Impact Investment: The invisible heart of markets." See http://www.socialimpactinvestment.org/, accessed March 3, 2015.

8 Big Society Capital; see http://www.bigsocietycapital.com/, accessed March 3, 2015.

9 Ibid at http://bigsocietycapital.com/about-big-society-capital, accessed March 3, 2015.

10 Big Society Capital; see http://www.bigsocietycapital.com/how-we-invest/adoption-social-impact-bond, accessed March 3, 2015.

11 Ibid at http://www.bigsocietycapital.com/how-we-invest/bridges-social-impact-bond-fund, accessed March 3, 2015.

12 European Investment Bank, "Impact financing in Africa, the Caribbean and Pacific," Report available on the EIB website at: http://www.eib.org/projects/regions/acp/index.htm, accessed March 4, 2015.

13 Ibid.

14 Ibid.

15 Ibid.

16 Ibid.

17 Bill and Melinda Gates Foundation Consolidated Financial Statements, December 1, 2013 and 2012. Available on the BMGF website at: http://www.gatesfoundation.org/Who-We-Are/General-Information/Financials, accessed March 4, 2015.

18 Replenishment_2013 European Commission Donor Sheet Report. Available at: www.theglobalfund.org, accessed February 27, 2015.

19 See The Global Fund "Strategy". From the Global Fund website: http://www.theglobalfund.org/en/about/strategy/, accessed February 27, 2015.

20 See, for example, http://www.one.org/us/2010/04/30/bono-meets-with-president-obama/, accessed October 3, 2014.

21 Of 51 articles surveyed related to the Warren Buffett pledge to Gates in 2006 (from the time of the pledge through December, 2006), 43 could be qualified as positive or neutral, with eight expressing some negative sentiments.

22 For example, Joe Cerrell, the managing director of global policy and advocacy in the Gates Foundation European Office worked in the Clinton White House; and Sylvia Mathews Burwell, currently secretary of health and human services in the Obama White House was president of the global development program of the Bill and Melinda Gates Foundation.

23 The GLE is a "unique multi-stakeholder initiative that facilitates an inclusive and action-oriented dialogue on social impact investing." Its aim is to complement the work of the Social Impact

Investing Task Force by bringing together "public officials, investors, philanthropic and civil society organizations, international financial institutions, academics and business leaders." M. Mischler, "Launch of Global Learning Exchange on Social Impact Investing," *World Economic Forum, Schwab Foundation for Social Entrepreneurship News Release*. See http://www.weforum.org/news/launch-global-learning-exchange-social-impact-investing, accessed October 3, 2014.

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