DEMYSTIFYING FINANCIAL FREEDOM: 4 KEY PRINCIPLES

A groundbreaking study commissioned by The Motley Fool Foundation and Ashoka that elevates the voices of the people closest to the problems.

Prepared by Michael Zakaras and Tim Scheu of Ashoka

Spring 2024
DEMYSTIFYING FINANCIAL FREEDOM: 4 KEY PRINCIPLES

CONTENTS

3 UP FRONT
How Social Entrepreneurs Are Transforming the Paradigm Around Financial Freedom 3
Social Innovation Mapping Process 6

7 THE FOUR PRINCIPLES
The Pervasive Lack of Financial Freedom Is Systemic and Structural 7
Coordination Is King 7
Systems Change Starts With a Mindset Change 7

9 EXPLORATION OF THE PRINCIPLES
Principle #1: The Pervasive Lack of Financial Freedom Is Systemic and Structural 10
Principle #3: Coordination is King 21
Principle #4: Systems Change Starts With a Mindset Change 25

31 OPPORTUNITIES FOR ACTION
A Team-of-Teams Effort 31
A Discussion of “Lanes” 31
High Impact and Doable: The Goldilocks Approaches 31

34 APPENDIX
What Rule Breakers Have In Common 34
Additional Prompts for Foundation Reflection 34
Decision-Making Criteria: Questions for Any Intervention 35
Lanes for Action and Opportunity 36

41 ABOUT ASHOKA AND THE MOTLEY FOOL FOUNDATION
The Motley Fool Foundation launched on April 1, 2022 with the ambition to extend opportunities and access for more of our society to be financially able and free. The vision is Financial Freedom for all – an audacious goal that builds upon the Fool’s legacy of “Foolanthropy” at a greater scale. In choosing “Financial Freedom” as the focus of its work, The Motley Fool Foundation takes on a complex system of interconnected economic drivers.

In an effort to better explore and navigate that space, the The Motley Fool Foundation has partnered with Ashoka, the world’s largest network of social entrepreneurs. Called Ashoka Fellows, these social entrepreneurs bring a creative spark and new ideas, along with the lived experience and empathy to understand the impacts of broken or inequitable systems – including ones that underpin the harsh economic realities of millions. These Fellows – several of whom have been recognized as The Motley Fool Foundation “Rule Breakers” – have served as early guides for the partnership and show up throughout this document, highlighting solutions that work for financially insecure populations. This mapping attempts to make sense of their guidance, along with the opportunity The Motley Fool Foundation has to catalyze systems-changing impact for the field. Specifically, the authors hope to:

- **Orient the Motley Fool Foundation Board:**
  - In order to help individuals better navigate the complexity of this Financial Freedom space.
  - To guide the evolution of The Motley Fool Foundation strategy – narrowing the focus to a domain ripe for impact.
  - To underscore the relationship between different The Motley Fool Foundation’s different investments.

- **Create a staging ground for:**
  - Commentary and case studies that will help people see Financial Freedom a little differently.
  - Collaborations among institutions inspired by The Motley Fool Foundation’s call to action.

**Green Hub(s) & the “Moneyball Strategy”**
As we’ll discuss throughout this document, “Financial Freedom” is sprawling in its scope. One’s ability to lead a “choice-filled life,” as Ashoka Fellow Alex Bernadotte would say, relies on her mastery of intersecting drivers governing money, housing, health, education, and work. To the extent that communities thrive when everyone is afforded that choice, public-and-private-sector leaders must work to maximize that potential for as many people as possible.

**So, What’s the Recipe?**
The authors of this mapping take inspiration from a similar, albeit it much less consequential, dilemma. Success in professional baseball relies on extraordinary athletes deploying world-class skills in concert with eight teammates – over and over again. Achieving a good outcome once is easy. Doing it over a 162-game season is extraordinarily difficult . . . or, at least, extraordinarily expensive. And yet, one group of data-driven innovators demonstrated that they could field a competitive team without the influx of cash. Thirty years later, “Moneyball” has become a euphemism for a data and outcomes-oriented strategy that capitalizes on undervalued assets.

It is the ambition of this document to spark an analogous phenomenon – a place-based, innovation-driven approach to Financial Freedom that benefits from a holistic orientation, clever feedback loops, and an asset frame that signposts pathways for community collaboration. Preliminary conversations among The Motley Fool Foundation leaders suggest that Greenville, South Carolina, could serve as the venue for such an experiment.

**How Social Entrepreneurs Are Transforming the Paradigm Around Financial Freedom**
Discussions of Financial Freedom often start with the idea of “financial literacy.” Namely, do individuals...
understand the benefits of savings and investments? Can people compel themselves to “live within their means”? One’s financial standing was understood to be analogous to one’s health – something that can be managed through hard work, discipline, and restraint. The thinking goes that opportunities are there for those that seize them.

If there was a silver lining to our recent pandemic, it’s that it awoke, in many of us, the recognition that social determinants of health transcend our individual choices. Treat a child with malnutrition and put her back into a food desert, and you’ll see poor outcomes, regardless of her ambitions for a healthful meal.

Those living from paycheck to paycheck face a similarly fraught situation. “It’s expensive to be poor,” José Quiñonez, Founder of Mission Asset Fund, frequently says.

**Metaphor: Treating the Sick Fish vs. the Pond**

Many well-meaning people and institutions choose to intervene on an individual level – subsidizing housing costs, refinancing debt, or providing scholarships to offset the cost of education. However, an impact strategy that focuses solely on individual interventions is akin to treating sick fish without addressing the polluted water the fish are swimming in.

Whether we’re contemplating payday loans, escalating prescription drug costs, or inequities in worker compensation, the economic systems we’ve built are failing large numbers of people and stripping them of their Financial Freedom. They’re the fish plagued by the toxicity of the pond.

Rule Breakers serving the financially insecure want to treat the “water.” They’re calling for structural interventions that enable opportunities for people of all incomes. They’re spotlighting the relationship between people’s race, place of birth, family socioeconomic status, etc., and their trajectory as full economic citizens. They’re pointing to a less supportive relationship between the American government and American citizens. Many of the attributes we associate with Financial Freedom in the past – a college degree, a stable job, home ownership, etc. –are harder to access, making it difficult for younger generations to escape financial insecurity.

Practitioners also know that great solutions fail in the absence of political will. As Frameworks Institute says, “The task is not only to raise awareness or bring attention to an issue, but to ultimately help increase the public’s understanding of how that issue presently functions, the systemic and social conditions that created it, and what solutions are available to resolve it - and, based on that increased understanding, to move people to action.” Amplifying the Financial Freedom narrative among those who currently benefit from our economic system is, perhaps, The Motley Fool Foundation’s greatest opportunity.
EMERGING OPPORTUNITIES WITHIN THE FIVE DRIVERS

As important as it is to center the overall experience of a person living with financial insecurity, it’s also useful to contemplate the intersecting drivers of their financial position. By exploring the structures affecting money, work, housing, health, and education, it becomes easier to pinpoint where and how to make inroads on their path to Financial Freedom.

In the sidebar, you’ll find a handful of Belief Statements The Motley Fool Foundation has used to define these drivers. Please keep these definitions in mind as the Drivers pop up throughout the rest of the document.

BELIEF STATEMENTS

Money: Financial Freedom for all stimulates economic and social development in all communities. Entrepreneurship thrives, populations are healthier, and families can thrive together for generations to come.

Work: Personal, family, and community wealth provides the means for healthy, happy, secure lives. That includes good-paying, fulfilling jobs and careers, and financial security that can absorb personal or societal shocks, and can extend throughout one’s life.

Housing: Housing that is accessible and affordable plays a critical role in strong, connected, and stable communities.

Health: Access to affordable and relevant health services, and insurance doesn’t just transform lives – it saves them. Furthermore, when people have equal access to social determinants of health, they thrive.

Education: When all children have access to a good education, racial disparities narrow and all youth are able to reach their full potential. A quality education empowers children and young adults to strive for, and to obtain a life of choice and generational wealth.
SOCIAL INNOVATION MAPPING PROCESS

The ideas represented in this document are drawn from the social entrepreneurs Ashoka has elected as Fellows, with a particular emphasis on the 100+ who have joined Ashoka’s Fellow network since 2010. Ashoka US Director, Michael Zakaras, has been a primary steward for and interviewer of these individuals as they’ve navigated Ashoka’s Fellow election process. In offering content for much of this mapping, Michael has synthesized Fellow commentary — together with a wide set of literature and research in the field — into a series of draft principles.

These draft principles were refined through conversations with The Motley Fool Foundation leadership, Rule Breakers, and other Ashoka Fellows whose ideas are referenced in the document. Finally, a stage of desk research was added to validate specific data points and add context to make the paradigms more accessible to readers.

What this Document is Not

This mapping should not be confused with an academic publication. Neither Michael Zakaras nor his co-authors bring a professional background in the field of Financial Freedom or economic justice. And while the Ashoka network is a robust source of intelligence, our sample sizes are small—especially relative to those referenced by academic economists.

In short, this mapping is best used as a prompt for further investigation, especially with those Fellows whose ideas feature prominently, not a comprehensive picture of the economic universe in the United States.
THE FOUR PRINCIPLES

As we’ve discussed, we want to (quickly) offer The Motley Fool Foundation Board context and the key principles for achieving impact in the Financial Freedom space. Here are the headlines:

1. The Pervasive Lack of Financial Freedom Is Systemic and Structural
   We got where we are today, not by accident, but by decades’ worth of decisions and policies that run deep and that, despite economic growth, have left the majority of Americans feeling financially vulnerable. We decide on the underlying structures of our economy and those decisions reflect our cultural priorities and values – and they can be changed. And yet, many assume the economy (or the “free market” in particular) is governed by natural laws such as gravity that cannot really be manipulated – even as those laws drive inequities and financial insecurity. Any serious conversation about Financial Freedom must begin with an examination of the underlying economic conditions that have led to (and maintain) the status quo.

   Surviving financially is not the same as thriving. And yet, in many ways, the central story of our economy over the last 50 years has been a gradual whittling down of economic security for most Americans. Today, two-thirds of Americans are financially unstable. In many cases, yesterday’s union jobs are being replaced by a “gig” economy that has people struggling to keep up, let alone build wealth. At the same time, worker productivity has risen by 65% since 1980, and worker pay has only risen by 17%. In some cases, these productivity gains have funneled into singular stakeholder benefits versus benefitting the rise of all of a company’s stakeholders, including employees and communities. In what has been termed the “great risk shift,” individuals and families feel increasingly on their own as they manage the harsh realities of a changing economy. Far from financially free, many feel one unexpected disruption away from financial ruin.

3. Coordination Is King
   Even in the hands of the most creative innovators, individual solutions to the challenges that plague our economy will fall short. What we need is bundles of solutions, working in concert, with as many participating as possible. Indeed, whether we are talking about the private sector, civil society, government, or philanthropy, the coordination and orchestration of multiple approaches is essential in part because the main drivers of Financial Freedom are so interconnected. It is often at the intersection of those drivers (housing and work, for example, or education and money) where the rubber meets the road. Place-based interventions present a promising opportunity to test approaches in a coordinated manner, and at a scale manageable enough to expect measurable progress.

4. Systems Change Starts With a Mindset Change
   One can talk solutions and policies endlessly, but if the stories we tell ourselves about the economy and about what people deserve and don’t deserve are out of sync with reality, we’ll find ourselves at dead end after dead end. Progress requires that we acknowledge that far too many Americans in 2024 are on the margins of our economy, just barely getting by. And, that we acknowledge that our systems are as responsible for the likelihood that someone achieves Financial Freedom as whether that person perseveres. It is unlikely that we can secure the cultural and political will needed to lift all boats if we are unwilling to closely examine the shortcomings of our dominant economic model that represent a stiff headwind for the average American trying to make ends meet.
Complex, deeply-entrenched problems require bold, creative solutions. If we acknowledge that the problems that prevent Financial Freedom run deep, then we must also acknowledge that solutions should focus on root causes. Nibbling around the edges and treating symptoms of underlying problems will only get us so far. As such, one of the highest ROIs will come from investing in and following the lead of social innovators like the Ashoka Fellows featured on the map above, who bring fresh, solutions-oriented thinking and who pave the way toward a better equilibrium for all. It’s the difference between financial literacy modules on Friday afternoons and building a 21st-century labor movement suited to the gig and freelance economy. If the goal is truly Financial Freedom for all, backing the Rule Breakers is a smart bet indeed.
EXPLORATION OF THE PRINCIPLES
Introduction
As discussed in the introduction, we can’t talk about Financial Freedom without talking about the broader context (i.e. the “pond”) in which individuals and families in America experience financial opportunity, hardship, and everything in between. Our economy is a massive system in and of itself, with countless subsystems. It is an entire ocean! And it is governed by a complex set of rules and relationships that we, as a society, have shaped and continue to reshape over time: tax code, monetary and fiscal policy, income redistribution, incentives, public goods and services, and much more.

This is a critical point. We sometimes think of the economy (or the “free market” in particular) as governed by natural laws such as gravity that cannot really be manipulated. If that’s true, seeking to adjust those laws would be as absurd as complaining that our days are too short and advocating for the earth to spin faster.

But quite the opposite is true: we decide on the underlying structures of our economy, and those decisions are a reflection of our priorities and values. They are no less set in stone than the source code of the computer this is being typed on. They can be adjusted, and they have been many times in the past.

Cross-Cutting Barriers
Any successful attempt to expand Financial Freedom must take into consideration the very structures and rules that define our economy in 2024. The good news? We’ve changed them before and we can change them again. The question is how.

Here is just a small sample of additional context that highlights the structural nature of Financial Freedom and its barriers:
• The legacy of racism and centuries of economic exclusion persists. The Black-White wealth gap in America today is as wide as it was in 1968. And while for decades we have emphasized the great equalizing power of education, the typical Black household headed by someone with an advanced degree has less wealth than a white household headed by someone with only a high school diploma.

Wealth in America is distributed starkly across racial lines. In 2016, the average net worth of a white American family was $171,000, ten times greater than the average Black family ($17,150). This is, not surprisingly, the result of generations of discrimination and exclusion rooted in this country’s founding and the legacy of slavery, and continuing to this day (a recent Brookings Institute study highlighted that owner-occupied homes in Black neighborhoods are undervalued by $48,000 per home on average, amounting to $156 billion in cumulative losses).

• Since 1980, and coinciding with the steady decline of organized labor in America, worker productivity has risen by 65%, and worker pay has only risen by 17%. In some cases, these productivity gains have funneled into singular stakeholder benefits versus benefitting the rise of all of a company’s stakeholders, including employees and communities. And in the housing market, zoning rules in residential housing often keep wealth-building investments out of reach for lower-income families, while private equity firms increasingly scoop up rental properties and drive up prices.

• Good-paying jobs and economic mobility are declining. Because of globalization and the outsourcing of jobs in key sectors, many U.S. communities have knowledge workers at the top and low-paid service workers at the bottom. This “shrinking middle” of small businesses, manufacturing, and other employers that traditionally provide better wages and benefits, alongside professional development opportunities, highlight the missing rungs in the ladder of economic opportunity. Indeed, the U.S. offers some of the lowest wages in the industrialized world. A larger share of workers here make “low pay,” which equates to less than two-thirds of median wages when compared to any other OECD nation.

• Coupled with this is the fact that social mobility in the U.S. has been steadily declining—and today ranks lower than most countries in the European Union. The “American Dream” of working hard and making it, regardless of one’s beginnings, is sadly more fiction than fact in today’s world.

"Most government aid goes to families that need it the least," offered Princeton University economist Matthew Desmond during a recent interview on NPR’s Fresh Air. "If you add up the amount that the government is dedicating to tax breaks—mortgage interest deduction, wealth transfer tax breaks, tax breaks we get on our retirement accounts, our health insurance, our college savings accounts — you learn that we are doing so much more to subsidize affluence than to alleviate poverty."

1 The devaluation of assets in Black neighborhoods | Brookings
2 'Poverty, by America' author Matthew Desmond examines inequality's root causes : Shots - Health News | NPR
SNAPSHOT: HOW BARRIERS SHOW UP IN THE DRIVERS
Observed within the context of The Motley Fool Foundation’s “Five Drivers,” these structural barriers become even more apparent. As our Rule Breakers will demonstrate, the opportunities for action also become clearer as we zoom into specific fields and sub-fields.

**HEALTH**
Access to and affordability of health care (even among the insured) continue to be a financial obstacle to most Americans.

*DATA POINT:* Medical debt is the leading cause of bankruptcy in America.³

**MONEY**
Economic insecurity is widespread, even among higher earners – a product of a decades-long economic risk-shift from companies and government onto workers and their families.

*DATA POINT:* In study to collect detailed cash flow data for a diverse set of U.S. households, study participants experienced an average of five months per year with either a spike or dip of 25% or more in their monthly income.⁴

**WORK**
There are missing rungs on the ladder of economic opportunity, and too many jobs are “dead end” with few chances for growth and mobility.

*DATA POINT:* The share of unionized workers in our economy is half as much as it was in the 1980s.⁵

**EDUCATION**
The gap in access to quality education remains enormous, and the promise of education as a great equalizer and driver of social mobility is less clear than it used to be.

*DATA POINT:* One third of states rely on property taxes as a major source of public school funding. EdBuild estimates the national average difference in revenue per student between non-white and white districts is $2,226.⁷

**HOUSING**
A national shortfall in affordable housing exacerbates the challenges of homelessness and strips asset-building opportunities from America’s working class.

*DATA POINT:* In the last decade, the median home price rose roughly 30% and incomes crept up just 11% over the same time period.⁶

---

³ Medical debt is the leading cause of bankruptcy, data shows: How to reduce your hospital bills | Fox Business
⁴ We Tracked Every Dollar 235 U.S. Households Spent for a Year, and Found Widespread Financial Vulnerability (hbr.org)
⁵ 10 facts about American workers | Pew Research Center
⁶ Home prices are now rising much faster than incomes, studies show | cnbc.com
⁷ Why White School Districts Have So Much More Money | NPR
The Idea | Create opportunities for wealth creation for Black entrepreneurs.

How | By shifting the dominant economic development approach away from an emphasis on personal collateral and prior wealth (which Black Americans have accumulated much less of compared to their White counterparts) and creatively combining financial instruments that lower the barriers to creating viable businesses.

Why It’s Relevant | Black families in America have been excluded from most wealth-generating opportunities for centuries. The result is a large racial wealth gap, and that lack of wealth makes it hard for Black Americans to invest, start businesses, and build a financial cushion for the next generation. Tim’s intervention acknowledges head-on the lack of wealth that traps people in a cycle of financial insecurity. Remember the old adage, it takes money to make money? Higher Purpose Co. creates opportunities to get over that initial hurdle that holds back so many from exercising their entrepreneurial inclinations.

“We still see White-owned businesses getting funded over Black-owned businesses simply because they can show assets to secure the loan – not because they are necessarily more innovative or viable.”

TIM LAMPKIN

Founder of Higher Purpose Co. Clarksdale, Mississippi
The Idea | Reform the drug patent system in the United States to better balance private and public interests and make life-saving medications and vaccines more accessible and affordable.

How | By addressing the so-called “patent walls” that U.S. policymakers have allowed and that give pharmaceutical companies an easy way to flood the system with patents upon patents, ultimately preventing generic drugs from reaching the market for as long as possible, at the expense of the American patient.

Why It’s Relevant | Research from 2019 found that in the past five years, 1 in 8 of Americans have lost a loved one because they could not afford the cost of their medication. That figure is double for people of color. But there’s a reason medicines cost more in the United States, and much of it lies in a patent system and other laws that favor corporate profits over affordable medicine. Priti is a classic systems entrepreneur: drawing our attention to a root cause many are unaware of, and using the law and other levers to push for upstream changes that will have profound downstream benefits for American families.

“Today, the incentives in the system are wrong. Pharmaceutical companies are rewarded for chasing profit rather than delivering against their core mission of inventing new drugs. I think scientists care about that mission. I think people who work at pharmaceutical companies care about that too. We’ve got to correct the incentives to make sure every person can get the medicines they need to stay healthy and alive.”

PRITI KRISHTEL
Founder of iMak
Oakland, California

QUESTIONS TO INFORM ACTION, DRAWING FROM PRINCIPLE #1

- Does an intervention both acknowledge and address the underlying structural factors that are keeping people coping instead of thriving?
- Are we focusing on treating sick fish without focusing on the pond in which they live?
- If this intervention is successful, might it make existing programs and direct services obsolete?
ECONOMIC SECURITY IS THE BEDROCK OF FINANCIAL FREEDOM AND ECONOMIC OPPORTUNITY

**Introduction**
As discussed in the introduction, The Motley Fool Foundation is explicit in identifying its prime target as the “coping” population in America. The state of coping – of just managing to get by or living with a perpetual sense of anxiety or stress about what might happen – is contrasted with financially thriving. And it’s implicit that being in a state of coping is incompatible with being financially free. This is both about dollars and cents – how can one be financially free when there is simply no financial cushion? But it’s also about a mindset: Planning for the future, dreaming, and taking risks are antithetical to feeling financially insecure and just one step ahead of debt collectors. In 2023, 65% of Americans reported that their financial difficulties were piling up so much that they couldn’t overcome them.⁸

Being financially free requires a basic foundation of economic security. And yet, one of the central stories of the American economy over the last 50 years is a gradual chipping away of that security. Consider this: Only one in three Americans can comfortably cover a $400 emergency expense.⁹ Statistics like this one, reveal just how many Americans are living on the brink – and how much work will be needed to expand Financial Freedom broadly.

**How did we get here?**
As discussed in Principle #1, it’s a function of structural factors and policies that have compounded over decades. The economy of today – with two-income households struggling to keep up with rent, juggling student debt together with childcare costs, barely putting money into retirement, earning more but saving less – would be unrecognizable to the economy of the 1950s, or even the 1970s. The better we understand how universal feelings of economic insecurity have become, the more effective we’ll be in righting the ship.

**The Great “Risk Shift”**
Yale political scientist and economic insecurity expert, Jacob S. Hacker, refers to the decades-long trend of individuals and families bearing more and more responsibility for economic disruptions as the “great risk shift.” He traces the near disappearance of guaranteed pensions, the erosion of health benefits, the time crunch faced by two-income families, unstable employment in the “gig economy,” the explosion of education debt, and more – all part of a huge transfer of economic risk from various forms of social insurance (including those sponsored by the corporate sector as well as government) onto the balance sheets of American families that began in the 1980s.

---

⁸ 90% of Americans Stress About Money, According to Study Results (cnbc.com)
⁹ How Much Should You Have in Savings? Suze Orman Says Most Can’t Cover Emergency - Bloomberg
Unlike comparable countries with more robust social welfare states, in America, our jobs used to be our primary security blanket – for our healthcare, for our retirement, and for protecting us from economic shocks. In today’s economy, much of that has eroded and nothing has stepped in to pick up the slack. For example, 60% of private sector jobs in the early 1980s offered defined benefit pension plans for their employees. Today, that number is just 15% and falling as the economy has shifted to 401(k)s, placing the burden of saving and investing for retirement on employees.  

For Hacker and others, this is the story at the heart of American Financial Freedom and the lack thereof: Americans are working harder than ever but feeling less and less secure and increasingly on our own to navigate life’s ups and downs.

Consider Just Some of the Evidence of American Financial Insecurity:

• (Health) Americans are saddled with healthcare debt. A staggering 100 million Americans currently have medical debt; for more than 10 million people, the debt is greater than $10,000 dollars. Medical debt is also the number one cause of bankruptcy in the United States. What’s more, 30 million Americans don’t have health insurance, and 36 million don’t have access to paid sick leave – a disproportionate number of them are people of color. This most basic of human needs – to be well, to access affordable care if one or one’s family needs it, to seek care without risk or losing one’s job – is often a source of financial anxiety or even financial ruin for American families.

• The very things that used to be the key stepping stones to the middle class – home ownership, a college degree, a job with clear advancement opportunities – are increasingly unaffordable and/or out of reach. Indeed, rather than a source of financial security, they are just as likely a source of financial hardship.

• (Housing) If home prices in America grew at the same rate as inflation since 1970, median home prices today would be $178,000. In contrast, median home prices in America today are more than $400,000. Half of Americans say that the availability of affordable housing is a “major” concern in their communities. In 2020, 46% of American renters spent 30% or more of their income on housing, including 23% who spent at least 50% of their income this way.

• (Education) Over the last generation, average education levels have risen substantially, but middle-class incomes have not. Meanwhile, the costs of higher education have skyrocketed, as have the rates of student debt. Between 1970 and 2013, the number of students enrolled in college doubled and the cash value of student loans rose more than 1,300%.

• (Work) Just having a job does not guarantee financial security in America. More than 10 million Americans have jobs but still fall below the poverty line. In 2022, a full-time worker needs to earn an hourly wage of $25.82 on average to afford a modest two-bedroom rental in the U.S. – a so-called “housing wage” that is $18.57 higher than the federal minimum wage of $7.25. Meanwhile, the explosion of “gig economy” jobs over the last decade means an ever-greater number of American workers find themselves working as no-commitment, independent contractors whose jobs are managed via online platforms such as Uber and that provide none of the benefits and job security that our parents’ generation came to expect.

• (Money) American families are earning more today but are paradoxically more financially insecure. The central promise of the so-called American dream is that if you work hard, you will be rewarded. And to this day, Americans possess a strong work

---

10 The Demise of the Defined-Benefit Plan and What Replaced It (investopedia.com)
11 100 million adults have health-care debt, and 12% owe $10,000 or more (cnbc.com)
13 Baby Boomers Vs. Millennials: The Costs for Each in Buying a Home / Fresh Today / CUToday.info - CU Today
15 About | National Low Income Housing Coalition (nlihc.org)
ethic – Americans work longer and value their work more than comparable countries. But the formula is broken: Most Americans are working harder just to keep up – they have no other choice. Indeed, the only reason middle-class family incomes have risen since the 1970s is because women have entered the workforce in huge numbers since then. Paradoxically, the surge in two-earner families is a major reason that American financial security is on such shaky ground: a two-earner family is especially susceptible to economic shocks and job loss.  

**Two Final Factors That Are Worth Noting:**

- First, as sociologist Matthew Desmond reminds us, as our Financial Freedom shrinks, our vulnerability to financial exploitation goes up. When we don’t own property or can’t access credit, we become dependent on people who do and can. (An example: In 2020 alone: Americans spent $1.6 billion just to cash their paychecks.) So, insecurity feeds exploitation, which furthers insecurity.
- Second, the more people feel financially insecure, the more likely they are to perceive the world as a zero-sum game – and to be drawn into us versus them political narratives and tribalism – as opposed to an outlook of mutualism and shared economic fate. This can create additional barriers and headwinds for policies and interventions focused on raising the tide for all.

16 Two-Income Trap, Elizabeth Warren’s book, explained - Vox  
17 Why Poverty Persists in America - The New York Times (nytimes.com)
**RULE BREAKERS**

Social innovators and practitioners at the community level can help bring this principle to life via a solutions lens. Let’s meet some of them.

The Idea | Build worker power in the 21st-century economy to transform our jobs and workplaces.

How | By leveraging digital organizing tools that support worker experiments to build power and win meaningful changes in their workplaces – from increased wages to greater voice at the board level. Workers have won dozens of national victories via the Coworker platform – from Starbucks employees expanding parental leave to Uber adding an in-ride tipping feature.

Why It’s Relevant | The rise of financial insecurity in America has tracked very closely with the decline of organized labor. But our economy today looks nothing like the economy of the 1970s, where workers clocking into manufacturing jobs by the thousands had ample opportunity to share information, form collectives, and advocate for change. CoWorker.org is one of several promising efforts to rebalance the power in our modern economy via modern methods so that our jobs are safer, more satisfying, and more secure.

“When people have a say, and their bosses have accountability back to them, they are able to improve conditions for everybody. This goes beyond one workplace—it’s about an entire workforce or a region or economy starting to think about work and money and economics as something that all of us should have an equal say in instead of controlled by very few for the benefit of very few.”

MICHELLE MILLER
Co-Founder of CoWorker.org.
New York, NY
**The Idea**  | Provide guaranteed income for poor Black mothers living in the South to prove that it is, in fact, possible to break the bonds of intergenerational poverty and change harmful narratives, and that when we invest in our most vulnerable, society flourishes.

**How**  | By piloting and sustaining the longest-running guaranteed basic income program in the United States – beginning in Mississippi and now spreading to Alabama, Georgia, and beyond. Black mothers living in affordable housing are provided with $1,000 of unrestricted cash per month for one year to supplement their existing incomes. Almost immediately, women were better able to support their families, they were able to prepare more nutritious meals at home, and for the first time, many of them said they felt like they were good moms because they were able to take care of some of their kids wants, not just always focusing on their needs.

**Why It’s Relevant**  | The idea is a response to the reality of intergenerational poverty and the lack of wealth-building opportunities for Black Americans in particular. But the pilot is also a challenge to dangerous cultural narratives (like of the infamous Black “welfare queens”) and a trust-based alternative to social welfare programs that have become increasingly restrictive over the last three decades. The rapid positive results reveal just how much is possible when families at the bottom of the socioeconomic ladder are given just a little bit of runway.

“Cash gave our mothers room to breathe – and once they didn’t have to focus solely on surviving, they could consider the radical possibilities of thriving, asking what it is they want for themselves and their families.”

AISHA NYANDORO

*Founder of Springboard to Opportunities & Magnolia Mothers Trust Jackson, MS*
The Idea | Transform the way we address domestic violence in the US from a short-term, emergency services approach toward a focus on long-term financial security and safety for survivors and their families.

How | Sonya brings together the domestic violence and asset-building movements – reminding us that financial insecurity is the chief motivator for survivors to remain in or return to abusive relationships, and, thus, the number one threat to their long-term safety. She has a three-pronged strategy for transforming our response to domestic violence: building capacity within the domestic violence movement to support survivors’ financial recovery, using innovative strategies to reach survivors directly with cash assistance and other resources, and removing structural barriers to survivors’ financial security through policy and regulatory reform.

Why It’s Relevant | Sonya’s work is an important reminder of just how far and deep the implications of financial insecurity can go. Financial insecurity is the number one cited reason survivors stay with or return to their abuser, and domestic violence remains the leading cause of homelessness among women and children in this country. And yet, despite this fact, much of the domestic violence support movement is structured around putting out fires and short-term relief rather than long-term stability. The same could be said about the dominant approaches to Financial Freedom.

“Without access to safe and affordable bank accounts, survivors have no choice but to use predatory lenders and expensive cash checking services. Without access to debit cards and other account-related services, survivors resort to hiding cash around their homes to try and save the money they need to get safe. Simply put, saving is difficult, dangerous, and expensive for survivors who are unbanked or whose bank accounts are controlled by their harm-doers.”

SONYA PASSI
Founder and CEO of FreeFrom
Los Angeles, CA

QUESTIONS TO INFORM ACTION, DRAWING FROM PRINCIPLE #2
• To what extent would an intervention support economic planning and security over the long term?
• What are the steps (or jumps!) before Financial Freedom, and are we helping people find that solid footing?
• How might we test the hypothesis that economic security for all would be a tipping point toward reaching broad Financial Freedom?
Introduction
When it comes to complex social problems, there is a strong relationship between social impact and collaborative innovation. Those that become effective stewards for social movements and systems change tend to surround themselves with a diverse set of stakeholders that help to inform, design, and implement their interventions.

That phenomenon maps to Ashoka's own experience with the social entrepreneurs we elect as Fellows. At the outset, innovators and Rule Breakers are often focused on a specific issue in a specific community. But as their understanding of the challenge matures, they explore additional levers at their disposal—for example, the public sector. Soon, many become stewards for a particular idea, ceding leadership of their legacy institution in favor of a more networked, holistic approach.

It's the difference between the social innovator, a precision engineer, versus the conductor of an orchestra. Yes, solving problems related to affordable housing, for example, or student debt, requires mastering the details. But broad, sustainable impact often comes by seeing the bigger picture and creating the space for sometimes unlikely allies to come to the table and make commitments toward shared goals. This kind of silo-busting and coalition-building is a type of superpower, and it takes equal doses of relational trust-building, bold visioning, and pragmatic compromise. It is the often unheralded work that amounts to the glue that holds many pieces together in tandem: smarter, more efficient, more sustainable.

To illustrate, we'll offer two case studies—one, Brandon Dennison, highlighting the way stakeholders come together to understand a system and coordinate a holistic response to a generation of economic decline. And a second from Rosanne Haggerty, detailing the way coordination helps communities stay ahead of their challenges with homelessness.

COALFIELD DEVELOPMENT
Connecting People to Create a Baseline of Trust
Brandon Dennison is a proud native of Southern West Virginia, going back generations. Over the course of his lifetime, Brandon's community has been grappling with the demise of the local coal industry. It's been at the center of a political and cultural firefight for much of the past decade. Power brokers across the region have been trying and failing to "revitalize" towns by luring investments from big businesses. Brandon's neighbors, subject to those jobs' pilots, have grudgingly accepted paychecks that offer only a fraction of the compensation and purpose they experienced in the coal industry. All the while, federal officials grow ever-more frustrated by the number of people voluntarily leaving the labor force.

Others, focused on the strengths and assets of the region, have expressed more optimism. The social enterprise ecosystem has been eager to build momentum at the intersection of workforce development and the stunning natural resources available to West Virginia. Impact investors want opportunities that tap into the underexploited talent and the "gumption" Appalachian folks have in spades. And faith institutions observe a strong sense of purpose that informs the community's religious practice—what a great foundation for economic growth!

It's Brandon's connectedness with each of these stakeholder groups that has helped his venture, Coalfield Development, emerge as such an inclusive and compelling concept. But he needed a headline—a vision that would open doors across Appalachia and beyond.
Establishing Shared Intent

“Appalachians have been told for so long, ‘You are coal country.’ And for generations, we believed it. But if we’re no longer coal country, then what are we?” That ambiguity, Brandon argues, is at the root of the trauma people feel and the way it has manifested so acutely in the opioid crisis.

Brandon’s response, it turns out, has been the keystone for this groundbreaking project in Financial Freedom. He sees West Virginia at the center of an evolved, regenerative economy. Just as communities without wired telephone lines became hotbeds of innovation for mobile device applications, Brandon believes Appalachia can leap-frog regions moored to late 21st-century operating models and showcase the power of climate-attuned, green-collar work.

“We love to do the dirty jobs other folks don’t want to do anymore,” he says, “Appalachia can lead the way.”

But how do you transform a community that’s been subject to such low expectations into fuel for economic growth?

Creating a Picture of the Whole System

“Humans who have been through so much abuse, neglect, homelessness, even a lack of safe drinking water – just unbelievable conditions for the United States of America – need jobs,” Brandon says, “but also stability, well-being, and, yes, purpose.”

A coordinated response, in other words, starts with the human being – helping people overcome issues – physical and mental health, housing insecurity, etc. – that are holding them back. And because Brandon’s orchestrating a solution that grows the long-term assets of the region, he’s specifically prioritizing individuals that would likely be passed over by traditional employers. The hallmark of Coalfield Development is their “33-6-3” model: 33 hours of paid work, six hours of higher education, and three hours a week to “identify points of pain that need healing, and to have reflection and community building.”

Coordination also happens at the enterprise level. Brandon and the team want to create working conditions that help people thrive – jobs with a living wage, opportunities to gain an equity stake in the companies they work for, and certifications to help folks grow their responsibilities and compensation over time. It’s this human-centered model of workforce development that makes Brandon such an eager and sought-after collaborator with many of the Rule Breakers referenced here.

But how do we move the vision from concept to actualization, and at a pace that is reflective of the urgency West Virginians have been feeling?

How Do We Prioritize, Prototype, Scale, and Fund the Work?

Brandon knew they’d be better off incubating the employers themselves. “Start with what you have and grow from there,” he says.

In Appalachia’s case, there’s a connection with the land, as many people grew up farming or hunting to put food on the table. There’s also a lot of creativity. “People are good at taking a little bit of this and a little bit of that and putting it together to make something work,” he says.

Combine those competencies with Brandon’s roots in social enterprise, and Coalfield Development emerged as a powerful incubator for innovative business models that tap into the regenerative economy – solar, agriculture, and apparel manufacturing. In just a few years, the firms in Brandon’s portfolio are going from start-ups to 50-person, union companies. Creative companies with slogans like Mine the Sun (“we’re still miners, just of a different source of energy now!) are taking off because they are rooted in local leadership, local expertise, and a historical appreciation of the generational pride among West Virginians that comes from powering the nation.

Now, those power brokers in Charleston, WV, and DC have an alternative to the failed jobs programs of the past – a model that builds human capital, reduces the brain drain, and positions their state on the cutting edge of climate action. And in a hyper-partisan environment, Brandon’s work is as popular with left-leaning labor activists as it is with more conservative stewards of market-based solutions. It’s not surprising, then, that Coalfield Development loomed so large in Senator Joe Manchin’s support for the Inflation Reduction Act.

Most recently, Brandon has been at the center of an even larger regional coalition – the Act Now Coalition on Appalachian Climate Technology – that in late 2022, was awarded almost $90 million in federal aid to build new economic development opportunities.
approaches and good-paying jobs in economically distressed regions, including renewable energy, sustainable mine reclamation, clean manufacturing, and more. As Brandon shares, “This is a historic coming together of entities that have historically viewed one another as competitors.” ACT Now includes the two largest universities in West Virginia, the state’s two largest cities, more than 50 private businesses, a range of innovative civil society organizations, and other groups.

**Built for Zero**
If Brandon shows us how groundbreaking interventions flow from a multi-stakeholder process, Rosanne Haggerty and her Built for Zero campaign work reveals how coordination sustains and amplifies the impact Rule.

**Lessons From Public Health**
Built for Zero is a national initiative of Community Solutions, an organization founded by Ashoka Fellow Rosanne Haggerty. Targeting an end to homelessness, her efforts draw heavily on successes from other fields: “public health, manufacturing, even software design, and architecture,” she says. “Fields where people are trained to think in systems and improve how teams work.”

Rosanne’s underlying point: you don’t solve homelessness with abstractions or in silos. You collect data and respond at an individual level while spotting patterns and opportunities for community and systems-level interventions. As an analogy, consider the community response to COVID-19. We combined medical interventions to extend life on a patient level, with restrictions to minimize spread within a community and a federally supported research and development effort to get ahead of the virus. It’s those three elements, working together, that helped us move forward.

Rosanne sees the same possibilities in the fight against homelessness. Spending billions to get ahead of this problem won’t work without information flows and a coordinated response.

**From Treatment to Pattern Recognition**
Rosanne established her reputation as a rule breaker with the Prince George Hotel – a human-centered, high-class triage center in New York City that addressed the varied needs of those living with homelessness. Physical and mental health issues, weak social networks, addiction, job insecurity, run-ins with the criminal justice system, challenges with foster care, domestic violence, and more - Rosanne and her team were able to quickly evaluate cases and offer clients targeted support.

“The fact that a whole group of individuals and families who find themselves in a housing crisis are assumed to be similar or to have experienced the same thing is wrong,” she says. “It’s even dangerously wrong.”

With the benefit of experience, Rosanne and the team became even more effective – developing a methodology to surface “underlying patterns of what’s driving increases or decreases in homelessness across the community.” With that, she saw an opening to expand her scope: helping communities organize their activities and resources “in a rigorous, nimble way to make homelessness rare overall and brief when a crisis does occur.”

That approach represents a marked shift from the sort of prevailing, high-cost, emergency responses employed by many cities. Those responses are like “spending resources without any expectation of ending homelessness,” Rosanne says.

**Sharpening Data Streams**
In 2015, Rosanne launched Built for Zero and now supports more than 100 American cities and counties to measurably and equitably end chronic homelessness.

Practically, that means moving them away from the sort of once-a-year, anonymized estimates where data arrives months – or even years – later. “A game-changing shift is to make homelessness in any community completely visible in real-time,” she says. “That enables those engaged . . . to see the patterns of inflow and outflow on at least a monthly basis.”

Rosanne also cautions against using averages. Given how structural and systemic barriers map to race and gender differences, it’s important to disaggregate the data, she argues. As one example, a four-month average length of homelessness creates the illusion of consistency for a city, but it could mean every person of color is experiencing eight months of homelessness while every White person is on the street for just a few days.
Staying Ahead of the Problem
America’s challenge with homelessness has yet another parallel with public health. Just as many acute health crises could be avoided with regular visits to a family physician, and housing instability similarly benefits from preventative practices. “Why is it that the only help for a household becomes available after they become homeless?” Rosanne asks.

And while politics can get in the way, the most catalytic changes for accelerating progress aren’t necessarily expensive. Several communities closest to achieving Functional Zero — a milestone for ensuring homelessness is rare and brief for a population — have been able to drive much of that progress through intentional changes to their systems, not necessarily through an infusion of new state or local funding. The key seems to be a strong, local team and leadership that uses data to “share a common view of the problem, to see what’s working, and to make changes as a result.”

It’s also about staying power. “Success is not a one-time achievement,” Rosanne offers. “It requires a local system that is continuously preventing and quickly resolving new incidents of homelessness.”

Coordinating for Financial Freedom
Like chronic homelessness, financial insecurity is a complex problem with varied and overlapping contributors. Stable housing is needed for stable work and vice versa. Money is needed for education, which in turn should increase one’s earning power. Being healthy is a prerequisite for work, and for most Americans, work is a requirement to obtain decent health insurance.

There is no silver bullet fix to the economic challenges in this country — no single program or piece of legislation that will alone right the ship. And even the most promising solutions have a limited shelf life in a world of constant change. As important as innovation, then, is coordination: a broader commitment across society to enable Financial Freedom for all, and to develop shared goals, practices, and new decision-making architecture in service of that aim.

What happens when we fail to coordinate? Well, as Rosanne Haggerty knows all too well, we risk spending billions on homelessness without reducing homelessness — a change that only begins with communities owning and getting to zero as their goal. Or, take this example of how policy interventions fail when they target one piece of the Financial Freedom puzzle in isolation: A 2019 study conducted by the Federal Reserve Bank of Philadelphia found that when states raised minimum wages without addressing the housing crisis, those temporary wage gains were quickly realized by landlords who raised rents across the city, diluting the effect of the policy. The same happened with pandemic rescue packages in 2021: as wages rose during worker shortages, rents began to skyrocket, leaving workers back where they started or worse off.

When it comes to Financial Freedom, the left hand must be talking to the right, and a careful eye must be paid to whether economic gain is indeed flowing to those who find themselves on the brink.

QUESTIONS TO INFORM ACTION, DRAWING FROM PRINCIPLE #3

- Who are the other players in the Financial Freedom universe? What are their core strengths and core competencies, and how might The Fool complement those?
- What role might we play as a convener? What is a realistic process for collective action?
- Are we putting resources toward others who play this critical coordinating function?
- What place-based efforts have been especially successful at addressing a complex social problem and why?
- What indicators should we track that confidently reveal progress toward Financial Freedom across drivers?
Introduction
Ashoka Fellow, Eric Liu, founder of Citizen University – a national movement to strengthen civic culture and responsibility in America – often writes that “culture is upstream of politics.” What does he mean by this? He means that the decisions we make, the people we vote for, and the policies we advocate for – all flow from the stories we tell ourselves and the beliefs and attitudes we have about the world.

Perhaps the most American story of all, is the story of the self-made man – the independent proprietor who came from modest means and, against the odds, became successful through hard work, persistence, and sheer determination. It’s a story of fierce individualism, of the freedom to chart one’s own life course, and of an aversion to handouts and charity.

It’s a story of immigrants coming to the United States from across the world, leaving everything behind to chase the so-called American Dream in a land flush with opportunity for anyone willing to seize it.

In recent decades, as we highlight in Principle #1, structural shifts in our economy have created conditions that further undermine this most central of American stories. In fact, several studies over the last decade have revealed that social mobility – i.e., the frequency and ease with which people climb from one social class to another – is actually lower in the United States than it is in nearly every Western European country, far behind Denmark, Germany, France, Ireland, the UK, and also Canada.

Equality of Opportunity
Why does this matter for Financial Freedom and efforts to expand it broadly in America? Because how we see the world influences our inclination to act, and also the way we act. Take the idea of equality of opportunity, for example: the notion that all individuals should have roughly the same chance in life to succeed. It is a universally accepted principle that equates to the most fundamental conceptions of fairness. It is equality of opportunity, in fact, that makes inequality of outcomes morally acceptable. Societal outcomes will vary, but they should be largely a result of people’s choices, not their birthplace or circumstances beyond their control.

But here’s where things get tricky: True equality of opportunity is a radical, even utopian proposition. It is undermined in countless ways, none more acute than the desire of parents with means to impart greater opportunity to their children: assets, family trusts, private education and small class sizes, developmental opportunities, internships, travel, safe communities, and much more. This so-called “invisible education” alone creates tremendous advantages for some Americans over others, compounded over generations.

Just how difficult is it to go from poor to rich in the United States? A person born into the poorest fifth of the income ladder who manages to get a college degree is less likely to end up in the top fifth than a person who was born into the top fifth but never went to college. In other words, the advantage of a strong starting position in life is powerful and resilient. As Ashoka Fellow, Alex Bernadotte reminds us, despite our best efforts over the last 50 years, the two most accurate predictors of one’s future social and economic status in the U.S. are zip code and parental education level.

Yet, many Americans operate under the belief that equality of opportunity roughly exists in this country, give or take, rather than being something wildly aspirational. That mental model shapes how millions perceive the need for public and private investments that would level the playing field in substantive ways. If equality of opportunity exists here – if the United States is essentially a meritocracy – then it’s perfectly understandable that people would turn

---

18 Infographic: Ranking the Social Mobility of 82 Countries (visualcapitalist.com)
19 Arthur Brooks’ Book The Battle: How the Fight Between FREE ENTERPRISE And BIG GOVERNMENT Will Shape America’s Future, Reviewed By Jonathan Chait | The New Republic
to financial literacy as a solution to helping people live more “within their means.” But if equality of opportunity was always more an ideal than a reality, then the motivation to chart a different course is quite powerful indeed.

One of their most simple yet powerful thought experiments involves the well-known board game of Monopoly. The story of wealth and opportunity in America, they argue, can be best understood by a modified version of the game we all grew up playing. Let’s say you begin with four players, but rather than everyone starting at the same time, one player must simply watch on the sidelines for the first 90 minutes and only then can join in and begin rolling the dice. Of course, at this point, most of the properties will have been purchased, and the journey is quite a treacherous uphill climb. Is it possible that the late entrant could win the game? Perhaps in a rare case. But most often, they will struggle with the odds stacked against them.

For the Racial Equity Institute, the thought experiment illustrates a situation where technically, the rules are the same for all, but the game is not fair. It is a metaphor for what they emphasize is centuries of advantages and head starts for some Americans over others. And it forces us to consider the question: what is our starting position? These can be provocative, uncomfortable questions, but we must create room for discomfort if we are serious about systems change.

The following table illustrates how the way we think about Financial Freedom in this country informs how we are inclined to act – and that a new paradigm is needed for both.

<table>
<thead>
<tr>
<th>CURRENT / DOMINANT PARADIGM</th>
<th>EMERGING / NEEDED PARADIGM</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>THE WAY WE THINK</strong></td>
<td><strong>THE WAY WE ACT</strong></td>
</tr>
<tr>
<td>- Financial Freedom is predominantly determined by individual behavior and choices (i.e. it’s up to you). Opportunities are there for any Americans willing to seize them.</td>
<td>- Invest in big ideas that question the status quo and seek to change the underlying environment in which individuals and groups find themselves.</td>
</tr>
<tr>
<td>- Getting an education, working hard, and making smart financial decisions will lead to financial stability.</td>
<td>- Metaphor: treating the lake itself to make it healthier and more life sustaining so fish are no longer getting sick, Predominantly treating root causes.</td>
</tr>
<tr>
<td>- Individuals and groups need better programs and services that help them make more informed, better financial choices.</td>
<td>- Supporting people in navigating a road full of potholes, wrong turns, and hazards. Searching for the “silver bullet” solution.</td>
</tr>
<tr>
<td>- Health metaphor: Financial Freedom akin to individual health.</td>
<td>- Financial Freedom is a complex idea determined by many overlapping drivers, including health, implicit and systemic bias, and more.</td>
</tr>
<tr>
<td>- Financial Freedom is mostly about money</td>
<td></td>
</tr>
<tr>
<td>- Financial Freedom is tied to choice of work.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>CURRENT / DOMINANT PARADIGM</th>
<th>EMERGING / NEEDED PARADIGM</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>THE WAY WE THINK</strong></td>
<td><strong>THE WAY WE ACT</strong></td>
</tr>
<tr>
<td>- Invest in programs that reach individuals and groups – i.e. direct service.</td>
<td>- Invest in piecemeal solutions where small progress is easily or quickly measurable.</td>
</tr>
<tr>
<td>- Metaphor: treating the sick fish in a poisoned lake and returning them back to that lake, Predominantly treating symptoms.</td>
<td>- Metaphor: treating the lake itself to make it healthier and more life sustaining so fish are no longer getting sick, Predominantly treating root causes.</td>
</tr>
<tr>
<td>- Supporting people in navigating a road full of potholes, wrong turns, and hazards. Searching for the “silver bullet” solution.</td>
<td>- Building a better, less treacherous road so that many more people will reach the end goal of Financial Freedom. Recognizing the complexity of the problem and investing in a suite of complementary approaches that will move the needle via collaboration, policy change, and multiple sectors committing to broadly shared goals.</td>
</tr>
</tbody>
</table>
Who Has the Power, and Who Benefits From Change?

It can be difficult for those who benefit from a system, as it is currently configured, to advocate strongly to change that system – especially if it means relinquishing some advantage. The Motley Fool Foundation likes to refer to the “thrivers and strivers” – i.e., those currently in power and those striving to gain more voice, better financial positions, and more stability in life. Thankfully a growing number of “thrivers” recognize that our economic system has created stark imbalances that pose a real risk to the American project. These individuals, many of whom are active in politics and philanthropy, and who have influential seats at influential tables in America, recognize that we are all in this together, and that a strong middle class is the backbone of a strong, resilient economy.

One such thriver is Nick Hanauer, a venture capitalist and philanthropist who recently acknowledged publicly that his approach to philanthropy – that centered big investments in public education as an antidote to inequality – were failing. “It’s the other way around,” Nick argues. We have to change our economy first because our education system can’t compensate for the ways our economic system fails so many Americans.

“Educationism appeals to the wealthy and powerful because it tells us what we want to hear: that we can help restore shared prosperity without sharing our wealth or power. By distracting from the true causes of economic inequality, they also defend America’s grossly unequal status quo.

“We have confused a symptom—educational inequality—with the underlying disease: economic inequality. Schooling may boost the prospects of individual workers, but it doesn’t change the core problem, which is that the bottom 90% are divvying up a shrinking share of the national wealth.”

There is no shortage of thrivers like Nick who are motivated to contribute to the whole. But many direct that motivation in the wrong places in large part because their mental models preclude them from understanding and appreciating the full extent of the economic problems outlined in Principles #1 and #2.

Changing the outlook and mindsets of thrivers and other access holders is arguably the most powerful upstream way to accelerate meaningful approaches to advance Financial Freedom for all. When people see differently, many (just like Nick) will be inclined to act differently.
The idea | Leverage the existing cultural assets and financial know-how of immigrant and low-income communities to open doors to mainstream credit and full economic citizenship.

How | José positions citizen organizations like his own Mission Asset Fund to become bridge-builders between unbanked and underbanked communities and mainstream financial institutions in a way that builds new pathways to economic inclusion. A core innovation is the transferring of informal economic activity – in particular, lending circles – into formal credit scores and access to loans and capital. To date, Mission Asset Fund has distributed more than 92,000 grants and loans to immigrants, people of color, and low-income families to improve their financial lives with higher credit scores, bigger savings, and smaller debts.

Why It’s Relevant | As much as any social innovator in the United States, José is a reminder that we frequently misdiagnose social problems and underestimate the knowledge and resilience of poor communities. His is a case study in the shortcomings of financial literacy approaches: the problem is not that immigrants lack financial literacy. In fact, many are holding multiple jobs, sending money overseas to family members, and creating informal lending circles and insurance mechanisms for when friends or neighbors fall on hard times. The problem is that all this activity happens outside the purview of our economy and our banking and lending system.

“Before we used the term financial inclusion, we used to talk about financial capability or financial education or financial literacy. And those terms kind of focused the problem on the actual individual, in the sense of blaming somebody who’s poor for their poverty. With the term financial inclusion and now financial health, there’s a broader understanding that there are more systemic issues at play that are not related to somebody’s inability to balance their checkbook.”

José Quiñonez
The idea | Champion a series of creative, systems-changing engagement opportunities for debtors nationwide to effectively push back against unfair debts, change policy, and build strong, local, and lasting solutions to the problem of economic inequality.

How | Through online resources, on-the-ground organizing, and national actions, the Debt Collective helps people see themselves and our financial system differently, as well as reimagine our legal, healthcare, education, and welfare systems. By piloting the use of the Rolling Jubilee (a debt buying and erasing initiative), debt strikes, and digital dispute tools, they are building the world’s first “debtors’ union.” The group not only exploits opportunities for change hidden in the current systems, but it lays the groundwork for new ways of operating. With a potential audience of millions, thousands of active members around the country, and a core organizing team, the Debt Collective has already helped secure tens of billions of dollars in relief, changed federal law, and put mass student debt cancellation on the national agenda.

Why It’s Relevant | Debt, as we know it, is broken. Individually, it isolates us, shames us, and drags us down. Collectively it exacerbates racial and gendered injustices, undermines our democracy, and weakens our economy. But Astra’s most important “reframe” is that this very thing that is holding us back is actually a source of power and a form of leverage. The vision of the Debt Collective is to transform the pain and shame associated with indebtedness into activity, solidarity, and strategy.

“Shame, like wealth, is not evenly distributed in our society. For working-class people, insolvency is often seen as a sign of profligacy and personal irresponsibility, while large corporations and the wealthy routinely walk away from their obligations and are celebrated as savvy for doing so. Hundreds of millions of people are in debt not because they are immoral and live beyond their means but because they are denied the means to live. The first step is abolishing the shame that makes us reluctant to fight for what we deserve.”

ASTRA TAYLOR

NEW YORK, NY
**The idea** | Design a new financial education model that starts earlier, focuses on wealth justice, and centers on Black girls and girls of color so they can address generations of financial trauma and close the racial wealth gap.

**How** | Provide a range of programmatic offerings — for students but also for policymakers, church leaders, educators, and others — that are grounded in this history of financial trauma in America and that emphasize ways to disrupt the transmission of that trauma to future generations. For students, curricula focus on healing their financial trauma and teach them how to build wealth. For leaders, BlackFem provides capacity building to help them eliminate financial inequities in their schools and beyond. BlackFem operates in 22 cities and reaches 100,000 students with a goal of reaching 1 million by 2025.

**Why It’s Relevant** | Like José Quiñonez, Chloe seeks to change the narrative about how we got to where we are in our economy and what our path forward should be. While her work is grounded in classrooms, she is deliberate in targeting our broader public narratives that tend to de-emphasize the long history of financial disempowerment of Black Americans, in particular — and the ways that history continues to create an unhealthy and even traumatic relationship between BIPOC communities and money in this country. Her emphasis on “wealth justice” creates a foundation for a more transformational response to our legacies of financial exclusion and exploitation.

“What I call “wealth justice” is the overwhelming commitment to healing generational financial trauma, which has the largest influence on a person’s wealth-building capability. If we go back to the inception of our American economic system, Black women’s bodies were not separable from their economic output — their economic imperative was to birth new wealth. This financial trauma, the cumulative harm that Black women have experienced historically, intergenerationally, and contemporarily, shows up in our financial behavior.”

CHLOE MCKENZIE

---

**QUESTIONS TO INFORM ACTION, DRAWING FROM PRINCIPLE #4**

- How do most Americans — and how do our members in particular — perceive the problem of lack of Financial Freedom and its causes?

- What stories and data points, in what packaging and frequency, would be most effective at broadening public understanding of this challenge, especially among the community of “thrivers” and access holders?

- What is the right balance between being provocative and being cautious? How do we spur action and urgency without overplaying our hand?

- What historical examples of societal mindset shift — e.g., marriage equality in America — can we learn from to inform our own efforts in this sphere?
A Team-of-Teams Effort

Each year, billions of dollars of domestic philanthropy go to support interventions. Additional money is spent in efforts to lobby policymakers, not to mention tens of billions in federal aid of all kinds. In that context, a compelling strategy is one that yields influence, that convenes others interested in Financial Freedom, that pools resources and wisdom and that directs both in a coordinated manner to achieve results that are greater than the sum of its parts.

The Motley Fool Foundation is currently assessing “Rule Breakers” candidates — practitioners surfacing on-the-ground innovations and insights. Who else in The Motley Fool network is equipped to inform and power The Motley Fool Foundation’s impact strategy? Peer foundations with an economic justice focus? Are local mayors or municipal governments keen to put a Financial Freedom agenda to work? Storytellers and journalists eager to showcase the innovations that surfaced in The Motley Fool Foundation’s mapping work?

A Discussion of “Lanes”

If the five “Drivers” are a thematic way to parse the systems impacting one’s Financial Freedom, the “Lanes” cited below serve a similar function in the context of potential interventions. To the extent that The Motley Fool Foundation can identify the lanes in which it wants to play (and/or where it is best suited to play, given what it is), The Motley Fool Foundation can be that much more targeted in the sorts of constituents and collaborators it wants to engage.

• Policy: Legal or policy interventions employed by elected bodies or relevant government agencies.
• Culture/Narrative/Education: Efforts to change or influence the way people think. Typically, this involves challenging “conventional wisdom” around a particular topic.
• Innovation/Citizen Sector: On-the-ground research and development work by “proximate leaders” — those with lived experience and groundedness in communities most affected by broken or inequitable systems.
• Private Sector: Products, services, human resource policies, corporate best practices, and other market-based solutions that aid those most affected by inequitable systems.
• Philanthropy: Deployment of financial capital to underwrite high-impact people and programs. Ideally, this is done in a way that recognizes and corrects for the historical relationship between wealth and power.

High Impact and Doable: The Goldilocks of Approaches

Given a problem as complex as the pervasive lack of Financial Freedom in the United States, there will be no shortage of possible directions. The question is how to narrow down the many possibilities to avoid “boiling the ocean” — i.e., to increase the scope of a project or task until it is essentially impossible to accomplish as envisioned.

At Ashoka, we sometimes use the language of “jujitsu points” to help illustrate the idea. In short: what are the places of maximum leverage where the least amount of pressure can produce the biggest, most favorable results? This is a common strategic exercise among social innovators, given their perpetual challenge of seeking big change with a dearth of resources.

Feasibility criteria, importantly, narrows the scope of possible interventions from what we might ideally want to what we can realistically accomplish, given who we are and what we have to work with. It’s also a reminder of the importance of coalitions: what might not be feasible to do alone becomes much more doable in partnership.
In Your Backyard: Place-Based Approaches

In addition to narrowing the possibilities by plotting approaches on the graph of impact and feasibility, another approach is to narrow the playing field itself by zeroing in on a specific geographic area where interventions will be more likely to move the needle over a shorter period.

The other advantage of picking a geography is the greater ease with which coordination — both across sectors and across drivers — can be achieved.

Ashoka and our Fellows distinguish between scaling wide and “scaling deep.” There are advantages to both. But scaling deep can be especially effective at demonstrating what is possible with the goal of then seeding an approach elsewhere. This is an approach we see in the cases of Rule Breakers Brandon Dennison and Tim Lampkin.

There’s also Molly Hemstreet, co-founder of The Industrial Commons in western North Carolina. Molly is another Rule Breaker who is developing a new economic development playbook for her region of Southern Appalachia where success is measured not by big box stores and quick ROI, but by a solid middle class and mutual reliance. Molly’s model uses a nonprofit organization, The Industrial Commons, to spawn and coordinate many competitive and prosperous cooperatives representing hundreds of small producers and enterprises at the intersection of modern manufacturing and heritage industries beginning with fully recycled textiles (from raw fabric to woven yarn to finished goods like hats and socks). The Industrial Common cooperatives share resources (including a loan fund that can support large capital investments) and staffing, but together they play a larger role in the economic revitalization of regions suffering from decades of disinvestment and rising unemployment.

Her place-based approach represents a return to the spirit of mutualism and self-determination that is so central to the American story and, yet, has faded over the last half-century. It also taps into regional pride. But Molly also knows that just launching a cooperative or two won’t really make a dent in the status quo: What is needed to introduce a robust, competitive alternative is a network of localized businesses, including cooperatives and other small to mid-sized textile producers that can innovate (for example, in new circular economy methods), that can achieve economies of scale, that can create financing mechanisms to seed and support new spin-off companies, that emphasize worker voice and agency, and more. In a nod to Principle #3, Molly reveals that both a failure of imagination and a failure of coordination are holding back large areas of rural America that can reinvent their economies across a range of manufacturing industries. But first she needed to prove that it can work and then create the infrastructure and support to make it work elsewhere too. This is part of the magic of regional approaches: powerful testing grounds that can refine an idea until it’s ready to be tested elsewhere.

Of course, place-based initiatives aren’t without their own challenges. For example, some require so much dedication and resources directed at a relatively small population (think the Harlem Children’s Zone, for example) that replicating them elsewhere becomes an enormous lift. In the case of Financial Freedom, in particular, a complicating factor is the reality that many of the barriers to Financial Freedom exist on the national (or even global) level, and so it remains to be seen whether something like “Financial Freedom zones” can be achieved and sustained within specific cities or regions.
DECISION-MAKING CRITERIA: QUESTIONS FOR ANY INTERVENTION

- How should The Motley Fool Foundation leadership select those high-impact, highly feasible interventions? Is a direction we want to go / invest / support aligned with the four principles?

- Does it make sense, given who we are and what we can realistically make happen? Does doing it in a place-based way help us avoid “boiling the ocean?”

- Is there a sequence that makes the most sense — i.e., what should come first, then second, and third?

- To what extent do we hold most of the moving pieces and the actual implementation of an effort, versus playing the role of convener and orchestrator — or, for that matter, of funder of existing solutions?

- If we don’t have the resources ourselves to spark significant change, how can we marshal more resources from elsewhere in support of Financial Freedom for all?

- To what extent are we trusted as a partner? Where does it make sense to lead from behind and center the work and wisdom of local leaders?
What Rule Breakers Have In Common
A new idea: Rule Breakers tend to be possessed by a newer, better way of addressing a public need. The new idea is often rooted in a re-diagnosis of the problem or an element of the problem — in other words, while most of us have been paying attention somewhere else, the rule breaker is focusing in on factors that have been misunderstood or underemphasized, but that might hold the keys to significant impact.

A Transformative Approach: Their solutions are disruptive and get to the heart of the root causes and structural failures that perpetuate a broken status quo. They are less interested in running programs and more interested in introducing a better way of doing things until it becomes the new pattern across society. In fact, their ideas are often designed in ways to facilitate rapid spread and independent adoption by others.

Creativity: Rule Breakers are highly creative, including how they go about overcoming barriers, building unlikely coalitions, introducing newer and more effective language, unlocking resources in new and surprising ways, and more. This creativity is at the core of their entrepreneurial temperament, problem-solving, and their inclination to “break the rules” in the first place.

Proximity to the Problem: The most effective Rule Breakers deeply understand the problem they are solving, often having experienced the problem and its implications personally. This proximity gives them the insight and wisdom to design solutions that are more likely to work and to last.

An Inclination to Distribute Power: Rule Breakers and social entrepreneurs are less concerned with “serving” others and more with unlocking their changemaking power. Part of the explicit goal of their work is to bring more and newer voices to the table, so that solutions are owned and advanced in a broadly distributed way, rooted in the lived experience of local and disenfranchised communities.

Ethical Fiber: If you’re asking others to join you in breaking the rules—or in writing new rules—then you have to be deeply trusted. The strongest ethics and a deep commitment to the good of all is essential.

Additional Prompts for Foundation Reflection

- Policy
  - Where might The Motley Fool Foundation have influence over policymakers at a local, state, or federal level?
  - Given what The Motley Fool Foundation is learning from Rule Breakers, what policies should/could The Motley Fool Foundation target for reform?

- Culture/Narrative/Education
  - What opportunity does The Motley Fool Foundation have to engage its membership base as allies in the movement for Financial Freedom?
  - In an era of ESG, what is the trajectory of The Motley Fool brand? What does it stand for relative to other financial service firms?
• Innovation/Citizen Sector
  ◦ How is The Motley Fool ensuring connectivity to emerging ideas and trends among practitioners working to deliver Financial Freedom?
  ◦ How is The Motley Fool Foundation amplifying or resourcing promising ideas to ensure they achieve traction?
• Private Sector
  ◦ What steps is The Motley Fool Foundation taking internally to ensure its own employee base (and network of vendors) is positioned to achieve Financial Freedom?
  ◦ To what extent can The Motley Fool Foundation model best practices and advocate adoption among peer institutions?

• Philanthropy
  ◦ How does The Motley Fool Foundation catalyze a philanthropic movement around Financial Freedom, such that The Motley Fool Foundation’s own investments inspire matching or complementary contributions from other grantmakers?
  ◦ How can The Motley Fool Foundation model the appropriate power dynamics between the institutions with money and practitioners with expertise, on-the-ground networks, and lived experience?
## MONEY

What might these different lanes look like when applied to just one driver of the Financial Freedom puzzle? Let’s take a look at Money:

<table>
<thead>
<tr>
<th>POLICY</th>
<th>CULTURE / NARRATIVE / EDUCATION</th>
<th>INNOVATION / CITIZEN SECTOR</th>
<th>PRIVATE SECTOR</th>
<th>PHILANTHROPY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Debt forgiveness/relief</td>
<td>Driving the narrative that it’s expensive to be poor - the system is stacked against many coping Americans</td>
<td>Emphasizing not just money but wealth, for example, via employee ownership, which has bipartisan appeal</td>
<td>Encouragement &amp; support of employee savings accounts</td>
<td>Emphasize asset-framing approaches that are more effective and sustainable - and that lean on the power within existing communities</td>
</tr>
<tr>
<td>Increasing the minimum wage.</td>
<td>People don’t need (or want!) “handouts” - they want a fair shot</td>
<td>Using collective mass debt to change the system through strategic nonpayment and collective bargaining</td>
<td>New lending products and reducing barriers to starting businesses, especially among BIPOC Americans</td>
<td>Shifting from “programs” to addressing deeper causes of financial fragility</td>
</tr>
<tr>
<td>Preventing economic shocks that disproportionately hit coping communities hardest (e.g., reinstating Glass Steagall)</td>
<td>Our economy does better overall when we have a strong middle class and move the coping to the thriving - i.e., not a zero-sum game!</td>
<td>Leveraging informal financial practices (e.g., lending circles) as pathways to mainstream credit and full economic citizenship</td>
<td>Reforming the housing appraisal process so that Black-owned homes aren’t consistently devalued</td>
<td>Leading efforts to shift dominant mindsets (including for those within the philanthropic community) about the causes and consequences of sustained financial fragility</td>
</tr>
<tr>
<td>Incentivizing employee ownership via tax benefits</td>
<td>Social mobility is lower in the US than many Western European countries - how do we get it back?</td>
<td>More profit-sharing opportunities</td>
<td>More proactive role in upskilling and workforce development</td>
<td></td>
</tr>
<tr>
<td>Paid family leave and universal pre-K, like most comparable wealthy nations</td>
<td>Wealth handed down across generations can often be traced back to extraction and exploitation - not just “working hard”</td>
<td>Addressing people’s #1 monthly cost (housing - another driver!) via newer, better, more energy-efficient factory-built homes</td>
<td>Examples like the Bank of North Dakota, where interest rates are lower and money gets re-invested at the local level rather than padding private profits (see also, Public Bank LA)</td>
<td></td>
</tr>
<tr>
<td>De-segregating our schools, neighborhoods, and lives (studies show a powerful relationship between social network and life earnings)</td>
<td>Emphasize asset-framing approaches that are more effective and sustainable - and that lean on the power within existing communities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>More pathways to build good credit in the U.S., for example via making rent payments eligible for building credit</td>
<td>Shifting from “programs” to addressing deeper causes of financial fragility</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Regulate bank fees, as in the U.K. and Israel, where overdraft fees are less than a tenth of what they are here</td>
<td>Leading efforts to shift dominant mindsets (including for those within the philanthropic community) about the causes and consequences of sustained financial fragility</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Baby bonds or automatic youth savings accounts</td>
<td>Public banking: Examples like the Bank of North Dakota, where interest rates are lower and money gets re-invested at the local level rather than padding private profits (see also, Public Bank LA)</td>
<td>Universal basic income pilots like in Jackson, MS, and now Atlanta, GA</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Payroll tax shifting to boost hiring (See: Get America Working!)
Making it easier (versus harder, the trend over the last 40 years) for workers to organize and collectively bargain for higher wages, better workplaces, etc.
Increasing the minimum wage
Supporting workforce development initiatives to prepare the workforce for a changing economy (e.g., the Act Now Coalition in West Virginia)
Public sector investment (and ownership) of utility infrastructure like broadband (for example, of Chattanooga high-speed fiber network as way to attract companies to move there)

Just having a job is no longer enough for people to achieve lasting Financial Freedom. What kind of job? What pay and benefits? What job stability?
It's not about working harder. Workers are much more productive than they were 40 years ago, but nearly all of those productivity gains have gone to owners, not workers. How do we get back to an economy that is both productive and inclusive?
Collective bargaining is responsible for most of the workplace benefits we enjoy today and should be supported to re-balance the power dynamic that has tilted away from labor for the last two generations
Why should workers not own the companies they work for?

Importance of developing institutions, not just shifting policy. See Sara Horowitz and mutualism - we can't wait around for big policy wins; instead, let's create mutualist organizations so that people can support one another!
New, smarter workforce development and upskilling programming so fewer people are stuck in “dead-end” jobs
Worker ownership creates better work environments, better pay, better retention, better resilience during economic downturns
21st century employee bargaining tailored for the new “gig” economy - more in partnership with companies, less straight adversarial

More profit-sharing opportunities
Democratizing decision-making in the workplace for the benefit of all
More proactive role in upskilling and workforce development - and sharing costs as the private sector will need this new workforce (i.e., providing expertise in development and implementation of curriculum and training)
Incentives for employees to continue their education and/or more skills training
Taking a coalition approach - including via cross-sector partnerships - with philanthropy adding critical financial capital and coordinating input (i.e. at the center of a coordinated network as opposed to funding siloed programs)
Putting resources behind mindset shift: i.e., helping both private and public sectors see new possibilities outside their current scope of view (too often, we are focused on what cannot be done)
### Lanes for Action and Opportunity

**Housing**

What might these different lanes look like when applied to just one driver of the Financial Freedom puzzle? Let’s take a look at Housing:

<table>
<thead>
<tr>
<th>Policy</th>
<th>Culture / Narrative / Education</th>
<th>Innovation / Citizen Sector</th>
<th>Private Sector</th>
<th>Philanthropy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Zoning reform: There are too many severe restrictions on new housing all across the country - and in particular on multi-family housing</td>
<td>Combatting so-called “NIMBYism,” where existing residents slow down or prevent completely new housing projects from happening</td>
<td>Looking to creative housing alternatives like high-quality manufactured homes</td>
<td>Investing more in affordable housing (accepting good but perhaps lower rates of return in order to address a social problem while still generating profits)</td>
<td>With more flexibility than state &amp; federal funds, philanthropic dollars can supplement publicly funded projects or enable ones beyond the scope of public funds only</td>
</tr>
<tr>
<td>Expanding rental assistance to keep up with surges in average rental prices (especially during shocks like the pandemic, where rental prices went up 18% with incomes stagnating)</td>
<td>Housing as a human right, focus less on housing as a problem (which most recognize) and more on convincing people that it can be effectively addressed</td>
<td>New forms of development that accept lower returns to combat gentrification and help legacy residents stay in their homes</td>
<td>Also, taking advantage of existing tax benefits like the Low Income Housing Tax Credits (LIHTC)</td>
<td>Convening stakeholders to coalesce around stated housing needs and/or showcase successful partnerships at the local level from elsewhere</td>
</tr>
<tr>
<td>Cracking down on housing speculation and the growing presence of Wall St. in the single-family home market</td>
<td>Advancing the narrative that housing affordability is a key determining factor in educational success, workforce participation, and health - i.e., framing it as a key to tackling poverty and other issues</td>
<td>Housing trusts (like the Champlain Valley Housing Trust in Vermont) that own housing or “commoning” model of homes owned and controlled by residents</td>
<td>Banks can issue smaller-dollar mortgages, which, while less profitable, would support lower-income first-time home buyers</td>
<td>De-risking creative approaches by local governments by taking on some of the financial risks</td>
</tr>
<tr>
<td>Supporting renters’ rights and minimizing the destabilizing number of evictions</td>
<td>Refurbishing abandoned homes in more efficient, cheaper ways to increase housing stock</td>
<td>Refurbishing abandoned homes in more efficient, cheaper ways to increase housing stock</td>
<td>Refurbishing abandoned homes in more efficient, cheaper ways to increase housing stock</td>
<td>Funding rigorous M&amp;E work to pinpoint what solutions are most effective and why</td>
</tr>
<tr>
<td>Down payment assistance for first-time home buyers (like the Direct Loan Program focused on rural America)</td>
<td>Bringing attention to and combating racist housing practices like the systematic devaluing of Black-owned homes in America</td>
<td>Bringing attention to and combating racist housing practices like the systematic devaluing of Black-owned homes in America</td>
<td>Bringing attention to and combating racist housing practices like the systematic devaluing of Black-owned homes in America</td>
<td></td>
</tr>
</tbody>
</table>
**Education**

What might these different lanes look like when applied to just one driver of the Financial Freedom puzzle? Let’s take a look at Education:

<table>
<thead>
<tr>
<th>POLICY</th>
<th>CULTURE / NARRATIVE / EDUCATION</th>
<th>INNOVATION / CITIZEN SECTOR</th>
<th>PRIVATE SECTOR</th>
<th>PHILANTHROPY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Universal pre-K to close the critical early learning gap that drives so much of our educational inequity in the U.S.</td>
<td>Pushing back against the widespread belief that education is the great equalizer and can overcome generations of structural inequities</td>
<td>Introduce teaching entrepreneurial skills and other life skills to children in school so that they can harness their creativity and genius to develop alternative problem-solving to financial hardships; enable students to learn the 21st century skills to compete in a global workforce</td>
<td>Support loan forgiveness as part of benefits packages</td>
<td>Closing the educational equity gap, especially in the early years (one of the largest social return on investments to be made)</td>
</tr>
<tr>
<td>Free or subsidized community college (Oregon, Tennessee, Chicago for example)</td>
<td>Highlighting the deep inequities that remain entrenched in our public education system, driven in part by the property-tax structure of education funding</td>
<td>Re-design K-12 schools to emphasize inclusive, adaptive, future-ready learning environments that emphasize real-world problem-solving</td>
<td>Financing continuing education and upskilling while on the job</td>
<td>Supporting effective financial literacy programs while also advocating and supporting broader economic changes that would enable broad prosperity</td>
</tr>
<tr>
<td>More affordable education financing (i.e., lower interest loans, more debt forgiveness, etc.)</td>
<td>How many Americans know that our public schools are more segregated by race and class today than they were in the late 1960s?</td>
<td>Champion and advocate for more Open Education Resources so that textbooks, education equipment, and other forced expenditures are not a barrier to education access</td>
<td>Connecting families and banks to provide new solutions to financing education. [See <a href="https://www.gopyt.com/">https://www.gopyt.com/</a>](<a href="https://www.gopyt.com/">https://www.gopyt.com/</a></td>
<td>Developing a more nuanced understanding of both the benefits and limitations of education as a pathway out of persistent financial insecurity and hardship</td>
</tr>
<tr>
<td>More varied post-secondary education options, including trade schools with clear pathways to employment</td>
<td>Emphasizing educational approaches that focus on assets and possibilities rather than deficits. For example, featuring the contributions of Black historical leaders and encouraging young Black students to celebrate their ‘black genius’ rather than doubling down on language about ‘at-risk’ youth</td>
<td>Strengthen the access pathway between K-12 schools and colleges and reach out to the students who struggle to make the transition, especially first-gen college goers</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Prioritizing financial literacy education, an area where the U.S. ranks behind many similar nations</td>
<td></td>
<td>Emphasize developmental experiences and broader skill acquisition over content knowledge and memorization</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
What might these different lanes look like when applied to just one driver of the Financial Freedom puzzle? Let’s take a look at Health:

<table>
<thead>
<tr>
<th>POLICY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bring under control the ballooning costs in our healthcare system, which account for nearly 20% of US GDP.</td>
</tr>
<tr>
<td>Advance policies that continue to (1) increase access to and (2) bring down the costs of preventive care in the U.S. - for example, by gradually lowering the age of eligibility for Medicare.</td>
</tr>
<tr>
<td>Reduce (and cap) costs of life-saving medicines like insulin.</td>
</tr>
<tr>
<td>Address the massive administration costs that define the U.S. system compared with similar nations.</td>
</tr>
<tr>
<td>More investment in primary care in order to produce huge cost savings down the line (and better health outcomes).</td>
</tr>
<tr>
<td>Guardrails that prevent unforeseen health events from causing sustained financial hardship for American families.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>CULTURE / NARRATIVE / EDUCATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Good physical and mental health is not only a prerequisite for financial wellbeing, it is also at risk when people suffer from financial instability and stress.</td>
</tr>
<tr>
<td>Broaden our understanding of the many social determinants of health - i.e., health not just a function of individual choices and behavior, but societal factors like children’s access to outdoor play spaces or smog-free air and how those correlate with income levels and race.</td>
</tr>
<tr>
<td>Help more Americans understand that we pay more than any other country for healthcare, but rank near the bottom of similar countries in terms of health outcomes.</td>
</tr>
<tr>
<td>Raise awareness of the enormous economic burden of our current health system on individuals and our economy overall: 1/3 of Americans have medical debt and health costs are the largest driver of bankruptcies.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>INNOVATION / CITIZEN SECTOR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Address the broken drug patent system that keeps generic medicines from hitting the market – and other innovations that.</td>
</tr>
<tr>
<td>Build, prove, and scale alternative care models that center patients and primary care and that achieve both better results and cost savings.</td>
</tr>
<tr>
<td>Grow people-powered health movements at the local level that enable communities with the worst health outcomes to reclaim their health and implement sustainable models of healthier living, from food to physical exercise.</td>
</tr>
<tr>
<td>Develop cross-sector solutions that, for example, leverage the power of public procurement to support healthier food supply chains into our country’s biggest school systems.</td>
</tr>
<tr>
<td>Transform the culture and practice of biomedical research to align with and support health outcomes.</td>
</tr>
<tr>
<td>Anticipate new health challenges on the horizon, for example the crisis of teen mental health, or the worsening health impacts of climate change.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>PRIVATE SECTOR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advocate for the separation of health-care benefits tied to employment.</td>
</tr>
<tr>
<td>Offer a range of basic preventive care and wellness programs for employees.</td>
</tr>
<tr>
<td>Expand health savings accounts so that employees are less likely to incur medical debt.</td>
</tr>
<tr>
<td>Invest in health technology and innovation that will “reduce” overall costs and increase efficiencies in the system (versus adding costs via boutique ultra specialized tools and services).</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>PHILANTHROPY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Target not just poor health outcomes but the inequitable distribution of those outcomes across race, caste, and class in America.</td>
</tr>
<tr>
<td>Fund alternatives to the dominant system to counter the enormous resources and lobbying power that seeks to maintain the status quo.</td>
</tr>
<tr>
<td>Support community wellness initiatives that are responsive to local needs and that build resilient cultures of health over the long term.</td>
</tr>
</tbody>
</table>
THE MOTLEY FOOL FOUNDATION

Today, we’re at a crossroads where we can decide to continue down the path of inequitable access and staggering wealth gaps, or we can choose to co-design an inclusive system that can help achieve Financial Freedom for all. The Motley Fool Foundation works to unify those with financial ability and wealth with those who seek the same type of freedom. The Motley Fool Foundation focuses on five key drivers of Financial Freedom: Education, Healthcare, Money, Work, and Housing. Each of these drivers are systems that typically operate individually within a person’s life. But what if they operated more collaboratively? What if, together, we could find ways to better connect these systems, better identify the ways that people are being left behind, and build solutions that give people an equal chance? When we do, we’ll realize an equitable system for all in which everyone benefits.

The Motley Fool Foundation is uniquely positioned to be a Convener, an Innovator, and an Accelerator.

Convener: Enabling purposeful bridge-building with active changemakers in the for-profit, nonprofit, and governance spaces that reimagine Financial Freedom for all.

Innovator: Identifying the important tools that don’t yet exist and bringing them to life, dreaming up new ideas and forging new paths that align the system, shift mindsets, and provide access to short- and long-term money.

Accelerator: Fueling the organizations that are already creating positive change and impact by providing resources, people power, and funding so that they can do the work and make change happen faster.

THE MOTLEY FOOL FOUNDATION

2000 Duke Street, 2nd Floor
Alexandria, VA 22314

Learn more here: www.foolfoundation.org

ASHOKA

Ashoka is the world’s largest network of social entrepreneurs. The organization pioneered the field of social entrepreneurship forty years ago and has introduced and mainstreamed words like, “social entrepreneur” and “changemaker.” It has supported, to date, almost 4,000 Ashoka Fellows across the globe with stipends, catalytic connections, strategic advice, and an unmatched peer community that is for life. Drawing insights from its network, Ashoka identifies and open sources the underlying patterns of transformative change, and designs strategies and partnerships to make them the norm. Ashoka collaborates with Fellows, young changemakers, and partners in more than ninety countries to advance a world where everyone can participate and contribute to solving problems for the good of all: an Everyone’s a Changemaker society.

ASHOKA

1000 Wilson Blvd., Suite 1900
Arlington, VA 22209
703-527-8300
Learn more here: www.ashoka-usa.org