

PRIVATE EQUITY NEWS

Admiral House,
66-68 East Smithfield,
London E1W 1AW

Editorial

Editor
Paul Hodkinson
+44 (0) 20 3426 1122
paul.hodkinson@dowjones.com

News editor
Ayesha Javed
+44 (0) 20 3426 1123
ayesha.javed@dowjones.com

Features editor
Dan Dunkley
+44 (0) 20 3426 1120
daniel.dunkley@dowjones.com

Reporters
Jennifer Bollen
+44 (0) 20 3426 1119
jennifer.bollen@dowjones.com
Kiel Porter
+44 (0) 20 3426 1250
kiel.porter@dowjones.com

Sub-editor
Keith Burton
kburton@efinancialnews.com

Production
Greg Russell
greg.russell@dowjones.com

Advertising and sponsorships

Publisher
Andreas Klimsa
+44 (0) 20 3426 1205
andreas.klimsa@dowjones.com

Advertising and sponsorship manager
Marcia Brissett
+44 (0) 203 426 1223
marcia.brissett@dowjones.com

Corporate licences/subscriptions

**Senior Account Manager
– Product Sales**
Dominic Legg
+44 (0) 20 3217 5374
dominic.legg@dowjones.com

Product Sales and Marketing Executive
Sioni Davies
+44 (0) 20 3217 5378
Sioni.davies@dowjones.com

Customer services
+44 (0) 20 3426 1212

Dow Jones
Private Equity Analyst

The Wall Street Journal, Dow Jones
Newsires, LBO Wire and Private
Equity Analyst are owned by Dow Jones,
the parent of Private Equity News

To trial our sister publication
Private Equity Analyst contact:
+44 (0) 20 3217 5176
privatemarkets.sales@dowjones.com

Printed by: Pureprint Group
Distributed by: Citipost

Published by: eFinancialNews Ltd © 2011

No part of this publication may be
reproduced or used in any form of
advertising without prior permission in
writing from the editor. All rights reserved.

ISSN 1741-9085

Help to make Luke's world a better place

Comment

Peter Wilson,
chair of City
Year London
and a managing
director at
HarbourVest



What do film director Ken Loach, news reader Jon Snow, Lib Dem Simon Hughes, Tory minister Tim Loughton and private equity have in common?

Answer: They were all brought together by the Private Equity Foundation to highlight the national scandal of the 1.6 million children growing up in poverty in the UK today.

We were shown a powerful film featuring an 11 yearold boy – Luke – growing up on one of the most deprived estates in the UK. Luke's world is a stone's throw from the City of London but a million miles from the world most of us in private equity inhabit.

If you live a life of relative prosperity, it can be difficult to get a real insight into the day-to-day context in which children living in poverty are growing up.

PEF's film provided a window into that hidden world. It revealed a sobering reality – poor quality housing, teen mothers, the absence of reliable male role models, overworked mothers struggling to make ends meet. I urge you to watch Luke's World to transport yourself for a moment into his life.

What do we do about it? Well, there isn't a silver bullet, that's for sure. But education, access to opportunity and mentoring support can all be life changing for boys like Luke.

The charity that I am privileged to chair is making a huge difference. It is a unique organisation called City Year London that recruits diverse teams of 18 to 25 year-olds to work in schools tutoring, mentoring and providing positive role models to boys like Luke.

It aims to transform children's lives by working closely with teachers to keep children focused on learning, regulate their behaviour and stretch their aspirations.

The young people are fantastic. They bring passion, energy and selfless commitment to helping children. The closeness in age makes a difference. The children treat them a bit like older siblings.

They see people volunteering, caring and consistently reinforcing the importance of learning and behaving well. They make it "cool" to learn. They raise aspirations, broaden

horizons and make schools feel safe and fun. All essential ingredients to keeping children focused on education – the only real ladder out of poverty.

It works. Independent evaluators found that City Year teams improved behaviour and curriculum performance. Experienced head teachers are commissioning City Year for a second year running and say they will buy it year-on-year.

City Year was set up in London thanks to the Private Equity Foundation; a really good example of how we can make a difference. In fact, the Private Equity Foundation has given us no excuses. It was established to help make it easier for all of us in the private equity world to help charities.

Donating money of course makes a huge difference. But there are other ways in which our expertise, leadership and muscle can help.

Whether it's making sure our staff are coaching children or our expertise is helping charities run their back offices effectively – there are many ways that private equity can do more.

With youth unemployment now more than one million, the social costs of poverty going up and the opportunities for boys like Luke scarce, we all have a responsibility to connect Luke's hidden world with our own.

Highlights from penews.com

Questions loom for Libya's sovereign wealth investments

Jonathan Shieber – December 14

As Libya's liberators come to terms with how to rebuild the country, three paths are emerging for the riches held in its sovereign wealth fund, according to a new report from international political consulting firm GeoEconomica.

The fund is the first sovereign wealth investment vehicle to be targeted by international sanctions and as governments begin to thaw frozen Libyan assets, the question becomes: what's next for the nearly \$56bn that was invested under the Gadhafi regime?

In the report GeoEconomica analysts Sven Behrendt and Deen Sharp predict that the fund will either: evolve into a strategic investment

vehicle; carry on with its traditional mandate as a savings fund for future generations; or (perhaps most likely) be liquidated as competing interest groups battle over Libya's political and economic future.

The authors note that in the short term it is likely that a significant amount of the resources in the Libyan Investment Authority will be drained, but that given Libya's oil wealth the fund could again become a significant investor.

"The fund may be turned into a strategic investor that establishes important partnerships and alliances with international players," the report says.

In another scenario that the analysts consider, Libya maintains its focus on investing for future generations, this time beyond the scope of