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Observations, insights & analysis from around the world on a medley of topics.

What links his bestseller on the 2008 financial crisis with his new bestseller on the crash of all market crashes? A sobering truth about human nature. "How quickly we forget," he says. By **Seth Faison**

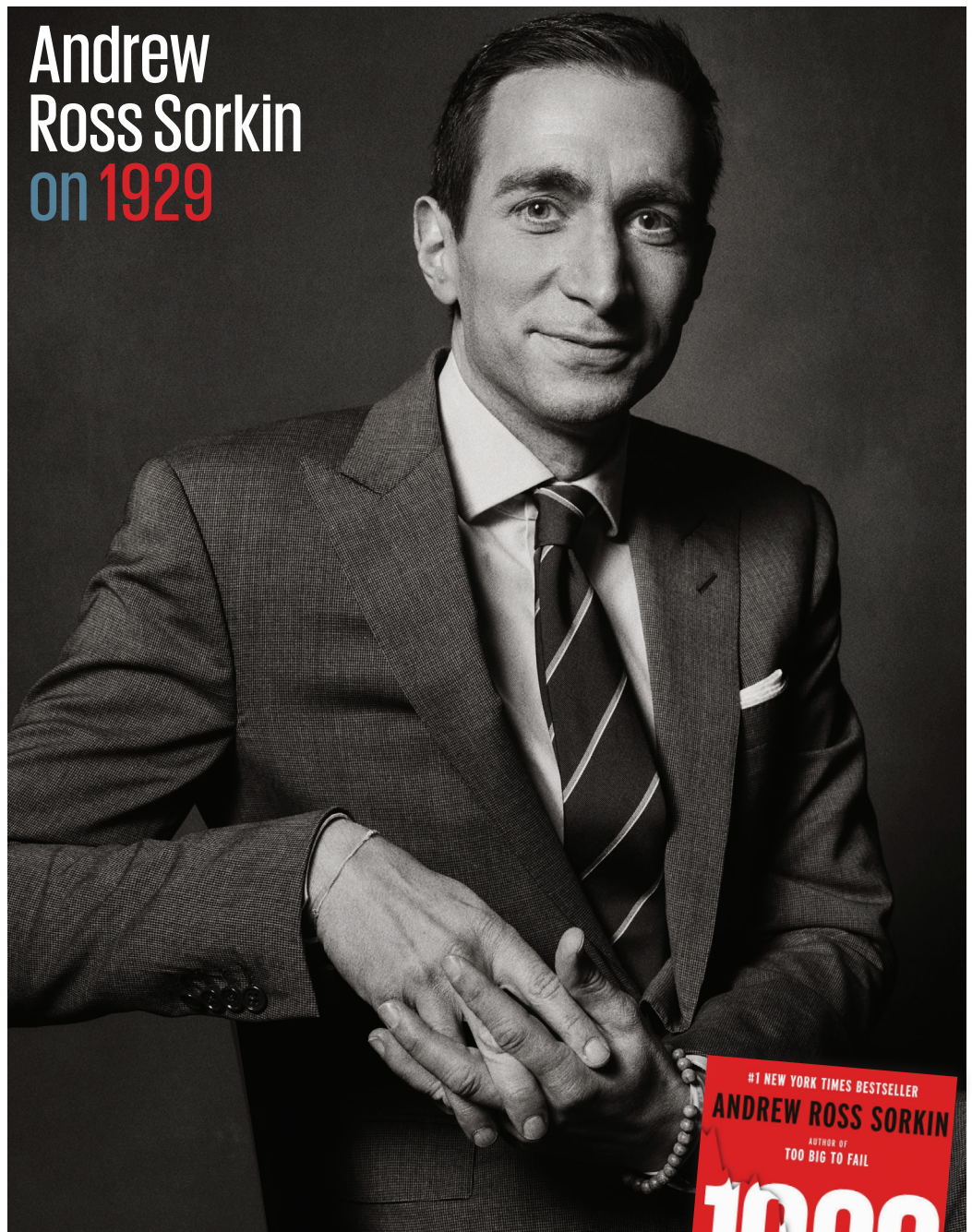
ANDREW ROSS SORKIN, Founder of *DealBook* at *The New York Times*, covered the 2008 financial crisis and wrote the definitive book about it, *Too Big To Fail*. As he analyzed the causes and fallout of that crisis, he often wondered how it compared with the titanic market crash of 1929.

Later, when Sorkin came across private papers of leading bankers of the 1920s, he began to see a way to bring 1929 to life, including what led to the crash, what it felt like in October 1929 and what ensuing developments led to the Great Depression (short-sighted fiscal policy and steep tariffs, as it turned out).

Little did Sorkin know, after years of working on this new book, financial markets would reach a fever pitch in 2025, right as his publication date neared. *1929* is now an incredibly timely book, highly readable and deeply instructive. Here, Sorkin answers three questions from Brunswick Partner Seth Faison.

What surprised you most, as you were researching 1929?

What surprised me most was how inevitable 1929 looked in hindsight—and how utterly unavoidable it felt to the people living through it. I went into the research expecting to find a coherent narrative of hubris and miscalculation, but the deeper I went, the more I realized that the crash was the product of thousands of small decisions and blind



spots that accumulated almost invisibly. It wasn't one big mistake; it was the absence of imagination across an entire system.

The other surprise was how modern the psychology felt. We often talk about the 1920s as a

distant, sepia-toned world of ticker tape and speakeasies, but the mindset of the moment—the belief in technological miracles, in new financial innovations, in the ability to bend the cycle to human will—felt eerily familiar.

The language of the era could have been ripped from any board meeting or investment memo today: “This time is different.” “We’ve entered a new paradigm.” “The old rules no longer apply.”

I was also struck by how much disagreement existed at the time. We imagine 1929 as a morality tale with clear villains and heroes, but there were fierce debates among economists, bankers, politicians and business leaders about leverage, speculation, regulation and the proper role of government. Many of the arguments feel like reruns of today’s cable news panels or policy fights in Washington. That was the real shock: not that the past repeats itself, but how quickly we forget we’ve lived the same storyline before.

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Among the characters with leading roles in the drama of 1929, who most fascinated you?

John Raskob captivated me more than any other figure—a man whose life embodied both the optimism and the peril of the era. Raskob was the ultimate believer in American possibility. He championed the idea that every citizen should be able to invest in the stock market and build wealth—a notion that was genuinely radical at the time. He was also the driving force behind the Empire State Building, which became a symbol not just of his ambition, but of a nation reaching skyward.

What fascinated me was the duality of his character. On one hand, Raskob was a visionary democratizing access to finance; on the other, he was a sophisticated insider whose enthusiasm

helped fuel the speculative fever. He was both ahead of his time and completely of his time.

But there were others who intrigued me as well: Charles Mitchell, the swaggering head of National City Bank; William Durant, the charismatic founder of General Motors who couldn’t stop betting big; and the quiet, almost tortured Herbert Hoover, who found himself overwhelmed by forces he struggled to comprehend. Together, they formed a cast that could have walked straight out of a modern prestige drama.

What parallels do you see between 1929 and the present day?

The parallels aren’t literal—but the rhymes are unmistakable. At a macro level, both eras are defined by extraordinary technological change, financial innovation and a deep faith in the transformative power of markets. In the 1920s, it was radio, automobiles, electricity and mass production reshaping the economy. Today it’s artificial intelligence, biotech and digital platforms. In both cases, the innovations were real—but so was the exuberance that they generated.

The second parallel is psychological. In the years leading up to 1929, there was a widespread belief that volatility had been conquered, that policymakers had found the tools to tame the business cycle. You hear shades of that today when people talk about “soft landings,” “immaculate disinflation” and algorithms that can manage risk better than humans ever could.

And finally, there’s the question of what happens when optimism becomes a form of denial. In 1929, warning signs were everywhere, yet few wanted to believe that the music could stop. Today, we are again navigating enormous uncertainty—from geopolitics to debt levels to asset valuations. ♦

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The \$80 Trillion Question

Financial firms must do more to engage the next generation of wealth. By April Rudin and Nick Rice

BABY BOOMERS CONTROL more than \$80 trillion in the US alone, but that wealth is set to change hands. As Boomers retire and their heirs inherit and earn their own fortunes, trillions are passing to investors who look nothing like the clients financial advisors built their practices around. Central to this shift are women: They not only control a greater share of wealth within younger generations, they also outlive men by an average of five years, meaning they will ultimately control assets currently held by their spouses. Firms that fail to adapt risk losing future business, as well as assets they already manage.

A 2024 New York Life Investments survey found, for instance, that nearly half of women (48%) felt patronized by financial advisors—compared with 36% feeling that way in 2019. Younger and more diverse investors have reported similar feelings of being treated with less respect. Little surprise, then, that studies show most beneficiaries switch advisors after they inherit.

The advisors who succeed will be the ones who listen without judgment—more like therapists than salespeople—and take seriously priorities that mattered less to previous generations. That can mean engaging with international

mobility, alternative assets, financial technology, and purpose-driven wealth planning. And, crucially, seeing that these are central to how these investors think about money and what they expect from the people who advise them.

Take cryptocurrency. Many advisors remain skeptical, and in some markets they cannot formally advise on digital assets. But clients hold them anyway.

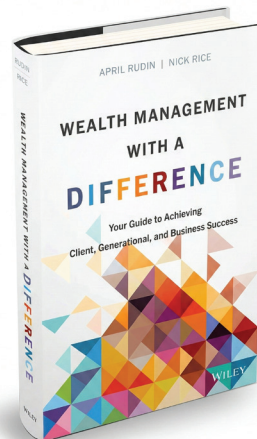
A 2024 NEW YORK LIFE INVESTMENTS SURVEY FOUND THAT

48
PERCENT OF WOMEN FELT PATRONIZED BY FINANCIAL ADVISORS.

Advisors who refuse to discuss crypto—or treat it with disdain—signal that they’re uninterested in their clients’ full financial picture. Even if they cannot advise on the investment itself, advisors should discuss crypto openly and help clients understand how it affects their broader balance sheet.

Technology is automating some of the routine work that once helped justify advisory relationships. What remains that is harder to replicate is the ability to connect with clients and adapt conversations to their specific needs. Firms that invest in training advisors for this shift will capture the opportunity. Those that don’t, will watch the wealth walk out. ♦

April Rudin is Founder and CEO of the Rudin Group. Nick Rice is a Director at Brunswick. They are co-authors of Wealth Management with a Difference.



COMPANIES CAUGHT IN THE storm of false or misleading online narratives often say they never saw it coming. In reality, many reputational attacks are foreseeable. You cannot predict the precise moment they ignite, yet you can anticipate the pressure points that make your organization vulnerable.

Leading organizations do this by borrowing a technique from the intelligence world: Red Teaming. The idea is simple. Before an adversary tests your weaknesses, test them yourself. In cybersecurity, this logic is already well established. Organizations routinely commission penetration or “pen” tests to probe their own defenses. Red Teaming applies the same discipline in defense of an organization’s reputation that ethical hacking brings to its cybersecurity.

Think Like the Opposition

Red Teaming took shape during the Cold War. US “Blue” teams tried to anticipate Soviet decisions by role-playing the “Red” side. The CIA later described the exercise as freeing analysts from the “prison of a well-developed mindset.” The discipline forced them to see the world through another actor’s eyes and to stress test their own assumptions.

A strong Red Team looks at your organization the way the outside world does. It is one reason the best teams sit at arm’s length. Internal groups rarely ask the most uncomfortable questions about their own behavior or imagine how routine decisions might read as evasive or self-interested.

The goal is not to catalog every stray allegation. It is to understand the conditions that make a false narrative plausible. Misinformation rarely succeeds on its own. It often taps into existing distrust, political polarization or social tension. A capable Red Team studies those underlying forces and the risks they create.

One insight from Brunswick’s Net Defender research underscores why this work matters. The difference between the people most likely to defend a company and those most inclined to attack it is often only about 1%. In such a



HACKING Reputation

It’s possible to anticipate damaging false narratives before they go viral—and make your business smarter and more resilient in the process. By Austin Rathe and Preston Golson

narrow space, even small vulnerabilities can tip an audience from neutral to hostile. Anticipating the narratives most likely to resonate with skeptical groups can determine whether the next wave of misinformation finds traction or fizzles out.

Human judgment remains essential, yet AI now helps map how misleading claims can mutate and spread. Together they allow teams to model reputational threats with more range and speed than traditional scenario planning.

Not every scenario warrants attention. But the most damaging ones do, and they share two traits: They sound credible to the people who matter most to your business and they have clear potential to spread beyond small online communities.

As it spots vulnerabilities, a well-run Red Team also strengthens the organization’s ability to respond. Once leaders understand how a narrative could form, they can act to prevent it.

Companies can, for instance, develop stories that inoculate

audiences against predictable falsehoods and test how those messages land—a practice known as “prebunking” (see page 14). They can also identify outside voices who carry credible weight and plan how to engage them. They can sharpen monitoring systems so early signs of a narrative do not go unnoticed. And they can strengthen the company’s digital “immune system” by ensuring its content is easy for both search engines and AI systems to interpret accurately.

In that respect, the most effective responses to misinformation all share a similar trait: They start long before misinformation emerges. ♦

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Africa's ENERGY Opportunity

COULD THE EUROPEAN UNION'S €750 million (\$867 million) investment in South African green energy, announced on the periphery of the G20 summit, signal something larger: that the race for Africa's energy transition is accelerating, and Western institutions risk being sidelined?

Perhaps the fundamental question is not whether Africa will industrialize through green energy, but rather, which institution will help shape that transition and gain preferential access to a vast infrastructure market?

Africa's solar capacity, and its ability to produce 50 million tonnes of green hydrogen annually by 2035, can shore up global clean energy supply and decarbonize heavy industry, according to a 2022 study by the European Investment Bank, the International Solar Alliance and the African Union. With 1.2 terawatts of renewable energy potential and 60% of the world's highest-quality solar radiation, Africa could

become a global green manufacturing hub, with IEA estimates projecting 340–650 gigawatts of installed solar panels by 2050.

Green hydrogen costs are dropping and by 2030 are expected to be at €2 (\$2.3) per kilogram across several African countries, on par with fossil fuels on an energy-cost basis. For the developed world, this represents a secure, clean manufacturing energy source. For Africa, it is the foundation for a new industrial opportunity, built on a potential resource it possesses in unparalleled abundance.

The IEA projects clean energy investment needs of \$130 billion annually. Africa currently receives less than 3% of global clean energy investment, creating a \$90 billion annual gap. Between 2022 and 2050, \$2.9 trillion in cumulative capital expenditure will be required, with annual energy investment expected to more than double from \$70 billion in 2022 to \$160 billion by

The G7's investment window is closing, says Itumeleng Mahabane.

2050. Also by 2050, 43% of this capital will be dedicated to developing hydrogen and renewable energy infrastructure.

At the generation level, Africa needs massive investment in solar farms, wind installations and hydroelectric capacity. But generation alone is insufficient. The continent requires modern transmission grids, high-voltage interconnections that link countries into continental power networks, reducing energy costs and improving resilience. And critically, Africa needs hydrogen production hubs, industrial-scale facilities where electrolyzers convert renewable electricity into green hydrogen for export and domestic use.

Yet Africa's investment challenge is shaped less by resource fundamentals than by the global cost of capital. African economies

carry \$1.8 trillion in debt with \$90 billion in annual servicing costs, elevating risk premiums to the point where, as noted by Wamkele Mene, Secretary-General of the African Continental Free Trade Area, borrowing costs are 20 times higher than in Western Europe—a distortion that directly increases project costs and slows investment.

The pathway that builds genuine industrial capacity, creates competitive advantage in global supply chains and delivers measurable economic growth, is also the pathway that keeps global emissions within bounds. Yet as seen at the recent G20 summit in Johannesburg, timelines and commitments for substantive change remain elusive, even as global leaders acknowledge the need to reform the international financial architecture. Without meaningful investment progress from the G7, emerging economies—including many in Africa—may increasingly look to China, the BRICS+ and regional coalitions to pursue alternative financing pathways. ♦

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A worker installs solar panels at a site north of Cape Town in 2025. The site will eventually produce seven megawatts of electricity.

PHOTOGRAPH: RODGER BOSCH/AFP VIA GETTY IMAGES

CAPITAL MARKETS DAYS ARE among the most consequential moments in a listed company's calendar. They are not quarterly updates, and they are not roadshows. A CMD is where strategy, capital allocation and leadership conviction are laid out in full view of the market.

In an environment shaped by activist scrutiny, digital amplification and AI-driven analysis, a CMD is no longer a presentation. It is a test. I've sat at the back of enough auditoriums to know investors are not just listening. They are watching for alignment, for discipline. They are watching for confidence under pressure.

Having worked alongside leadership teams across sectors and geographies, I see CMDs not as isolated events but as inflection points within a broader Investor Brand strategy. They are moments when belief is either strengthened or diluted.

BEGIN WITH THE EQUITY STORY

The most common error at CMDs is to start with the agenda. The discipline should begin with the equity story itself. What is differentiated? Where is belief fragile? Which assumptions need to be evidenced rather than asserted?

When we supported Rolls-Royce after the arrival of a new Chief Executive, the narrative work began months before the stage design. The harder work was not about slides, but about narrative choices: the performance targets the leadership team would stand behind, where capital would be concentrated across the portfolio and how operational improvements would translate into measurable returns. The day was built around that new leadership and a small number of clear commitments. That clarity allowed the market to assess not just ambition, but accountability.

A CMD should feel like a logical step in a longer narrative, even when it marks a turning point.

Investors attend CMDs to test how robust the strategy is. They are looking for alignment



CAPITAL MARKETS DAYS

Everything about these critical events needs to be calculated as part of a broader corporate strategy.
By **Sonal R. Patel**

between ambition, operating capability and capital allocation.

Creative intelligence is critical in this context. Sequencing, speaker balance, the calibration of data and ambition, and the discipline of design all shape credibility. Film, when used judiciously, adds texture and humanity, grounding strategy in operational reality.

Who speaks, in what sequence, with what evidence and against what visual backdrop—these choices all can signal how an organization truly functions. When the structure is right, you can feel the room settle. The story holds because it is coherent.

A Capital Markets Day is, of course, also a leadership moment. Tone and candor in Q&A can reinforce or undermine months of preparation. In our work with a recent CMD client, the decisive factor was not the volume of information shared, but the clarity with which difficult questions were addressed.

In financial services, where trust underpins valuation, presence itself becomes part of the equity story. Preparation

INVESTORS ARE NOT JUST LISTENING. THEY ARE WATCHING FOR ALIGNMENT, FOR DISCIPLINE. THEY ARE WATCHING FOR CONFIDENCE UNDER PRESSURE.

therefore goes beyond slides. We stress test data, anticipate activist questioning and consider how content will travel once the room has emptied.

Increasingly, CMDs are consumed in fragments—and, often, AI-generated summaries. Structure and precision are strategic safeguards and that requires careful preparation.

KEEP IT IN PERSPECTIVE

A CMD must sit within a consistent communications architecture. In Investor Brand terms, it is one of a series of signals that together shape how a company is understood and valued. Results, reporting, sustainability disclosures, leadership interviews and CMDs are not discrete events, but touchpoints in an ongoing pattern.

Clarity builds when the same strategic choices are articulated consistently. Coherence strengthens when capital allocation and operational evidence align over time. Conviction grows when commitments made on stage are measured and reinforced in subsequent quarters.

The objective is not applause in the room. It is the steady accumulation of trust. When delivered well, a Capital Markets Day does not create a new story. It sharpens and evidences the existing one, adding weight to a sequence of aligned signals that make the company progressively clearer, more credible and more investable. ♦

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MisINFORMATION Inoculation

FALSE AND DAMAGING INFORMATION can reach global audiences in seconds, eroding trust, damaging reputations and destroying market value.

Yet, rebutting falsehoods inside a tight window can be difficult. Brunswick research suggests that that window can be as narrow as an hour, rendering traditional responses such as clarifications, fact-checks and content labeling ineffective. And once a false narrative takes hold, the psychological pull of repetition and

confirmation bias makes it stubbornly resistant to change.

What's needed is an ounce of prevention. Ahead of debunking, we recommend prebunking—training audiences to recognize manipulation. Instead of firefighting, it builds cognitive immunity before misinformation spreads.

Organizations can vaccinate themselves against false narratives by prebunking.
By **Eilís Murphy** and **Bénédicte Earl**

Just as vaccines expose the body to weakened viruses in order to trigger resistance, exposing people to diluted versions of deceptive arguments can help them recognize and reject subsequent stronger ones. It trains our mental immune system by previewing tactics that might be used to influence or deceive.

This approach has proven effective. Ahead of Russia's invasion of Ukraine, the US and UK governments anticipated attempts to justify aggression through fabricated evidence. Rather than waiting to respond, they declassified intelligence and explained what fabricated evidence might look like, including staged footage and actors posing as corpses. The aim was simple: Inoculate audiences by making visible the mechanics of misinformation. It worked—prebunking blunted the impact of subsequent Russian propaganda.

The same strategy can work for companies. By anticipating likely narratives and preparing communications in advance, organizations can strengthen audience resilience and preserve trust before misinformation spreads.

This approach underpins an exercise that Brunswick calls "Red Teaming" (see page 11)—essentially structured simulations that reveal which false narratives might emerge and where defenses are weak.

Prebunking can also take the form of reputation-building campaigns. Take Patagonia, which has long been transparent about both its environmental progress and its limitations. By owning its story before others can distort it, the brand has built resilience against accusations of greenwashing, establishing trust through openness rather than perfection.

Building trust before a crisis is easier than restoring it afterwards. Strong reputations act like long-term immunity: They don't prevent exposure, but they do reduce the likelihood of infection. ♦

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