



# Intergenerational Equity Index (IEI) Update

New Mexico State Investment Council



# The Intergenerational Equity Index (IEI)

The Land Grant and Severance Tax Permanent Funds are endowment funds originally created to ensure that their benefits provide equally for current and future generations of New Mexicans thereby striving for egalitarian equity.

In order to monitor the ability of the Funds to consistently achieve their intended purpose, this *Intergenerational Equity Index* has been established.

The *IEI Scale* on the following page is provided as a method for graphically displaying whether the Funds are performing as intended. If the Funds are equally benefitting current and future generations, the scale will be balanced. If the scale tilts to the left, the current generation is receiving more than future generations. If the scale tilts to the right, future generations would receive more benefits than the current generation.

The goal is to keep the scale balanced, thus ensuring that current and future New Mexicans have the ability to equally share the remarkable benefits of the State's endowments.

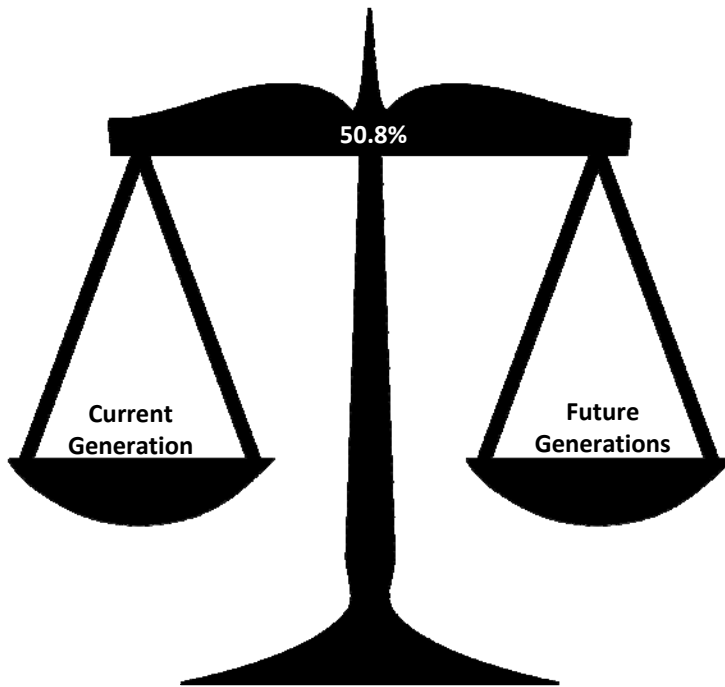
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*“The trustees of endowed institutions are the guardians of the future against the claims of the present. Their task in managing the endowment is to preserve equity among generations.”*

-Professor James Tobin

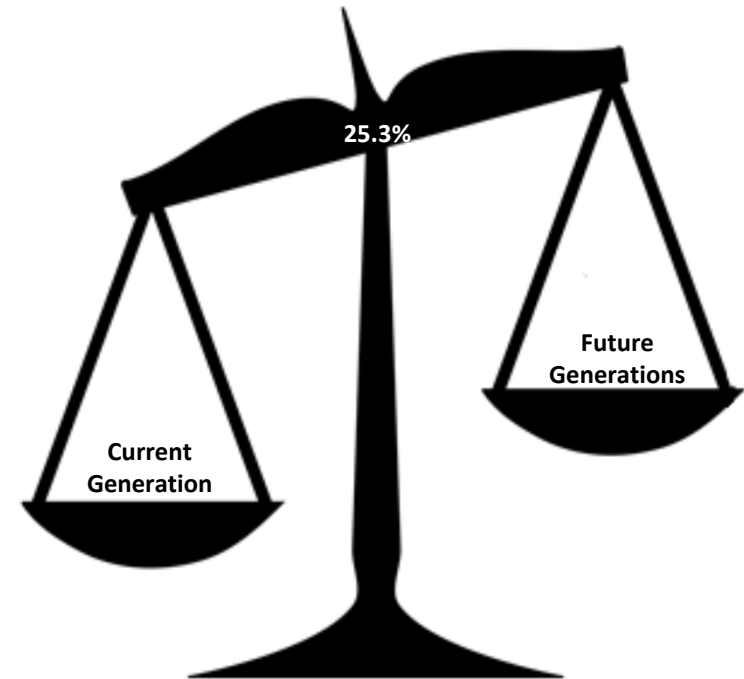
# Intergenerational Equity Index (IEI) Scale

## Land Grant Permanent Fund



The [Land Grant Permanent Fund](#) strikes a balance between current and future generations by providing equal benefits.

## Severance Tax Permanent Fund



The [Severance Tax Permanent Fund](#) at present favors the current generation at the expense of future generations of New Mexicans.

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