



# SLOW MONEY JOURNAL

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SPRING 2016



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*The Slow Money Journal is published by the Slow Money Institute, a nonprofit organization whose mission is to catalyze the flow of nurture capital from individual investors to small, local and organic food and farm enterprises.*



# EDITORIAL

BY WOODY TASCH

**"Beetniks Against Global Warming."** That's a placard you never saw at COP21 in Paris.

Because to a Beetnik—someone who has participated in a Slow Money Beetcoin campaign or anyone whose occasionally countercultural tendencies are tempered by an appreciation of local entrepreneurs and farmers—investing in a small food enterprise near where he lives is as important as traveling thousands of miles to negotiate international targets on CO<sub>2</sub> in the atmosphere.

Which is not to compare the two. But it is to say that even while faced with global social and environmental challenges of imponderable complexity, we can affirm the significance of the slow, the small, and the local.

This is what those of the Slow Money persuasion did, once again, in 2015. More than \$6 million went into 73 small food enterprises, bringing the total since 2010 to more than \$46 million into 473 deals. The 2Forks Club (Carbondale, CO) made its first loan last year—a \$23,500 zero-percent loan to Zephyros Farm of Paonia—and the Knives and Forks Investment Co-op (Vancouver, BC) introduced a new model to our family of investment clubs. Our first regional online Beetcoin campaign exceeded its target, raising more than \$56,000 for three Colorado food enterprises. Slow Money Minnesota launched. Slow Money North Carolina hosted its first regional gathering. Slow Money Northeast Kansas held its first entrepreneur showcase.

We are building a movement of individuals who—not content to delegate our fate to politicians, CEOs, technologists, economists, regulators, certifiers, fiduciaries, and pundits—are choosing a constructive, hopeful course of action. We are affirming our sense that in the world of faster and faster, bigger and bigger, more and more global, we need not only new technologies and new policies, but also new sensibilities and new behavior, without which the words sustainable and transparent and accountable and socially responsible and metrics and impact will mean little in the end.

We are modeling this new behavior, imperfectly, pragmatically, learning as we go. Highlights of our work in 2015 are captured in the pages that

follow, including the voices of Rosanna Bauman, Leslie Christian, Eliot Coleman, Joan Gussow, Will Harris, Rory Holland, Nancy Thellman, Narendra Varma and George Weld. Our network continues to grow. Our conversation about food, money, and the soil continues to deepen.

While heads of state work towards international climate solutions, the earthworms among us keep busy in the soil of a restorative economy.

We may lend an ear to India's Prime Minister Narendra Modi, who said last December as the Paris proceedings opened:

*Justice demands that, with what little carbon we can still safely burn, developing countries are allowed to grow. The lifestyles of a few must not crowd out opportunities for the many still on the first steps of the development ladder.*

Or we may heed the words of John Roulac, CEO of the organic food company Nutiva:

*The elephant in the room in Paris—and it's quite a big elephant—is that for some reason the world's government leaders, and many climate groups, have omitted the planet's two leading carbon sinks, soils and oceans, from the main climate agenda ... In this age of fascination with high technology, we choose to ignore the earthworm (tiller of the soil) and ocean plankton (our indispensable oxygen generator) at our peril.*

Or we may take to the streets, placard held high:

### **“Beetniks For Peaceable Finance”**

When the protesting and diplomacy are done, we must get down to the business of investing. We cannot only vote with our consumer dollars or our political contributions or our charitable donations. We also have to vote with our investments. In so doing, it is entirely OK, no, essential, to admit that there is more that we don't know than that we know. We are moving in a fundamentally new direction, doing what we can to nurture an ethos of humility and affection.

I have no idea how to make peace directly with the violence that is emanating from the Middle East and maybe this is the point. I wonder:

Is it some kind of cosmic coincidence that the most virulent rejection of western civilization has emerged from the birthplace of agriculture?

Stumped by such imponderables, I can only reflect that we of the exceptionalism kind know how to wage war remotely, to target precision bombs from high altitude halfway around the world, but we don't know how to make peace with the land.

Making peace with the land means making peace with local farmers. It means stepping away from the violence of today's news and reconnecting with the places where we live and with the soil. It means choosing patterns of food production that do less harm, helping us move away from dangerous over-reliance on fossil fuels and other petrochemicals.

When we join a CSA, we are making this kind of peace. When we shop at the farmers' market, we are making peace. When we take a little of our money out of Wall Street and put it into small, local, or organic food enterprises near where we live, we are producing small quotients of peace.

So now let's take a few moments to put down the placards, put away the check books, invite our imaginations to the table and appreciate what we've all been up to, together, partners in the Earthworm School of Local Food and Peaceable Finance.

*Woody Tasch is founder and chairman of the Slow Money Institute.*





# INTERVIEWS

Will Harris and Joan Gusow have very different voices, but they share lifelong commitments to healthy soil and healthy food systems. Will graced hundreds of attendees with his considerable presence at Slow Money's Colorado regional event this past September. With her thought leadership, Joan has been setting the bar high for decades.

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## Will Harris

*Will runs the largest USDA-certified organic farm in Georgia, farming 1,200 owned acres and 2,000 leased. He has over 2,000 head of cattle, raises 60,000 pastured chickens, and also raises eight other species of animals, most of which roam around in a model of farming based on the way animals graze on the Serengeti plains. He has built two abattoirs on site—one for red meat, one for poultry. He has an organic vegetable CSA and an heirloom orchard. His farm closes the loop on sustainability through rotational grazing, solar power, and the recycling of all of the various “wastes” from his animal operations. All of the wash water, bones, and other animal “wastes” end up back on the land, building the soil over time.*



## Q. As you look at the situation in farming today, what jumps out at you?

Today's farmer is facing a transformation. But it is not only the farmer. Equally important is a transformation of the appetite of the American consumer. The complexity of this transition is great. And there's also an investment side of this transition—how do we finance kinder, gentler, regenerative agriculture. We still live in a world that is full of big box stores and fast food places. This transition isn't going to happen immediately and it shouldn't. It is going to take time.

You've got to remember that the big changes to food and farming—commodification, centralization, industrialization—started after WWII 70 years ago. It could take another 70 years for the pendulum to swing back to some semblance of what it was.

**Q. • Saying it's going to swing back towards what it once was raises all kinds of questions.**

I don't mean returning to my great grandfather's agriculture. But the ag we have today is completely built on maximizing consistency and efficiency. Very little emphasis is placed on animal welfare, the environmental sustainability of the program, or the economic impoverishment of rural America. What this has done has made food obscenely cheap and the cost has been borne on the backs of farm animals, the environment, and rural America. When I say it will swing back to where it was I mean ... hey, technology is fantastic, I'm sitting in a pasture in my new Jeep, talking to you on a cell phone with a laptop open on the seat beside me ... but I'm talking about rediscovering fundamental respect for the animals, the land and the people who are producing the food.

**Q. • What's the relationship between this kind of respect and the quality of food?**

There was a time when farmers put everything they could into making their milling wheat or corn for cornmeal for their pigs or their chickens the best possible quality. They didn't do so for altruistic reasons or vanity. They did so because when they went to sell, they wanted to get a higher price for their produce, based on quality. After WWII, the USDA set minimum standards for milling wheat and feed steers and Number One hogs and Number Two corn. When we set minimum standards, we de-incentivized adding quality. It became about producing as cheaply as possible and still meeting those minimum standards, with the Chicago Board of Trade deciding how much you were going to get.

Today the Tysons and Cargills and Smithfields and other large multinational corporations of their ilk have moved so far down this model of efficiency that I don't believe they can ever move back. They are so committed to uber-high-volume, uber-efficient production operating purely on a cost basis that they will never be able to move away from that. But it's not just the big guys. Small producers at the other end of things face a different set of challenges as they strive to return to a higher quality system of production.

**Q. Sounds like you are heading towards the ag-in-the-middle story here.**

I am. What we are doing at White Oak Pastures is one example. We built our own processing capacity, investing \$7.5 million to do it, so that we can achieve and maintain the quality we want in our product.

**Q. To the small guys, you are big and to the big guys, you are small. Can you say more about how your particular scale allows you to produce a high-quality product?**

There are some animals, in the case of beef, that just aren't going to make good steaks. You did all the right things, you cared for them properly, you had the right genetics, but they just did not turn out as a good steak animal. If you are focused on quality, you will inform your meat cutters that when you get an animal that is of inferior quality, let me know and we'll decide what to do. For instance, we may make ground beef. In that case, I may lose \$400 on that animal. But I protect my overall quality. You can only do that if you have complete control of the processing.

**Q. Isn't this the question of appropriate scale? The idea that there is an optimal scale at which quality, market share, and impact can all come together?**

Scale is everything. I don't mean the bigger, the better. It has got to be scaled properly. When it's right, scale is the balance that comes from a three-legged stool: production, processing, marketing. In this balance, it can't be the best two out of three, or the stool will topple over.

I couldn't have built the processing we need for any less than we spent. Our \$7.5 million investment worked for us. We're profitable, but it's not a get-rich deal. It's a good family business, good enough to bring two daughter and spouses back into it. But I didn't figure out that scale in the abstract. I didn't say at the outset, '\$28 million in sales and 123 employees is our ideal scale.' I kind of blundered towards it. I made a lot of mistakes along the way and there were many times that I thought, 'I've got this,' that I really didn't. But we did arrive at a scale that is working.

**Q • As your operation has grown, you've added species, added diversity. Yet it is usually the case that the bigger farms get, the more commodified they get.**

It used to be that farms were organisms. The farms of my great grandfather's era had grain, cattle, chickens, lots of different species living in symbiotic relationships. Nature abhors a monoculture. Nature always gravitates to many different species of plants, animals and microbes living in symbiosis. You don't have a forest with nothing but rabbits or a forest with nothing but deer in it. There's always a smorgasbord. Henry Ford taught us the factory model. The efficient way to build cars was to build a factory. It works beautifully for cars or anything else that is complicated. A watch is complicated. A cow is complex. A factory is complicated. A farm is complex.

Reductionist science works for complicated systems. You can isolate the variables. But when it comes to nature, to complexity, reductionist thinking doesn't work.

**Q • How did you make the transition from the post-WWII model of commodification, centralization, and industrialization to a model that puts respect for animals, land, and people first?**

After WWII, we applied the industrial model to farms. Just like you make cars at the car factory and shirts at the shirt factory, we started making pigs at the pig factory and chickens at the chicken factory. We started using industrial tools: pesticides, chemical fertilizers, antibiotics, hormones.

The industrial system of farming was wildly successful in achieving what it set out to accomplish—in making food cheap, abundant, and consistent. But it had unintended consequences. My family has seen these up close.

My father went to a meeting in Bluffton in 1946. A young man was a salesman for a fertilizer company. Chemical fertilizer wasn't being used much at that point. The fertilizer company was a repurposed munitions manufacturer that was making ammonium nitrate fertilizer. This kind of fertilizer didn't become cheap and abundant until after WWII, when all those munitions plants were repurposed. This young fertilizer salesman had two 100-pound bags of ammonium nitrate and he gave every farmer 5-10 pounds in a brown paper bag with the request to spread it out on a pasture, water it, and check it in three days. The effect was like steroids in

a weight room. When my dad and the other farmers checked the results, there was no comparison: ‘Shit, I want my whole farm to look like that!’

So, we put ammonium nitrate on every acre we owned twice a year. But what my dad didn’t know, what no one knew at that time, is that ammonium nitrate was killing microbes in the soil and oxidizing the organic matter that it had taken millennia to create. For the next 50 years, we kept applying ammonium nitrate all over our land twice a year.

In the ’70s, I went to the University of Georgia. I majored in agriculture. No one ever mentioned to me that fertilizer kills microbes and oxidizes organic matter. No one. By the mid ’90s, I was starting to read things that introduced me to new ideas. And then I started noticing at the edge of the woods where the truck doesn’t get, and so we hadn’t applied fertilizers and pesticides there, the land had more tilth and was teeming with life that you could see and even more that you could sense, and that made me realize that if we’d never used the ammonium nitrate and pesticides, all my land would have this much life.

**Q.** **There’s a lot to admire in that story of observation and learning.**  
I’m still observing and learning. I’m new to the goat and hog business and I’m just learning these herdmanships. Hogs are really forest creatures. Sheep and cattle are pasture creatures. I had some goats that had been on pasture but I put them in the woods with the hogs. I noticed that they were shinier, gaining weight, playful, just generally doing better. And the hogs also seemed to start doing better. I googled and tried to research something that would explain this. Couldn’t find anything. I kept observing. Here’s what I’m thinking. The goats are eating plant species that the hogs don’t eat and the hogs were eating the goat shit and then hogs are getting different nutrients from that goat shit, so they are healthier. And when the hogs ate the goat shit, they broke the lifecycle of the barberpole worm, internal parasites that affect goats, so the goats also started doing better. Seems like textbook mutually beneficial symbiotic relationships, but I don’t have the textbook. I have the farm.

**Q • What do your observations tell you about Allan Savory's holistic management system?**

It's past time to be talking about sustainable farming practices. We've got to talk about regenerative farming practices, those that every single year improve the productive capacity of the land. The end game of most regenerative practices is going to be sequestering carbon in the soil. Not as a response to global warming, per se, but because this is what turns soil that is a dead mineral medium into an organism that is teeming with life. Allan Savory's holistic management system is the best game in town. This system emulates nature, using prairie animals to build the soil by mimicking the predator-prey animal systems, where animal herds were bunched and moving. Hooves breaking the soil, defecation, microbes in the animal guts working with microbes in the soil, intensive grazing. This flies in the face of commodified, centralized, industrialized livestock practices.

## Joan Gussow

Joan Dye Gussow, Mary Swartz Rose Professor Emerita and former chair of the Program in Nutrition at Columbia University Teachers College, Nutrition Education Program, lives, writes, and grows organic vegetables on the west bank of the Hudson River. Long retired, she is still co-teaching her course in nutritional ecology at TC every fall. She is author, co-author or editor of five books including *The Feeding Web: Issues in Nutritional Ecology*, *This Organic Life*, and her latest book, published in November 2010, *Growing, Older: A Chronicle of Death, Life and Vegetables*.



**Q • Michael Pollan has referred to you as his guru. You were talking about “nutritional ecology” way back in the 1970s. How did you originally develop this concept?**

Yes, the term first went public in the subtitle of my book: *The Feeding Web: Issues In Nutritional Ecology*, which was published in 1978. This for me was an attempt to address the whole ball of wax. I might not have picked the right term for it. But I didn’t know how else to describe what I was after.

Some time earlier, I had seen an exchange in the *American Journal of Clinical Nutrition*. Someone had written the editor asking why the journal had no coverage of the world hunger crisis, and the editor wrote back and said the world food crisis was the field of agricultural economists, demographers, and agronomists, but that it was not part of the field of clinical nutrition. Too often, the field of nutrition was this narrow.

Another example: I once asked a classroom of nutrition students to pick from a selection of journals about food, nutrition, and medicine one journal they thought their fellow students should read. I myself was fascinated by the food journals where you saw ads for what was coming next. Once I saw an ad for “powdered cloud #9” that “gives your juice drinks eye-appealing opacity.” But not a single student in that class picked a “food” journal. One of them actually said to me later, “I don’t think that being interested in nutrition means you have to be interested in food.” So, on the one hand you had a nutrition editor who didn’t think his field had to do with hunger and on the other hand you had a nutrition student who didn’t see why she needed to be interested in food. Clearly, a broader view of things was needed. ‘Nutritional Ecology’ was my attempt at such a broader framework.

**Q:** This is the problem of professional silos.

Our job as nutritionists was to pay attention to the food after the swallow. Nothing before the swallow mattered. That meant that we were incredibly narrowly focused. The idea that nature had anything at all in mind regarding food was lost. Food technologists got busy trying to figure out things like the perfect balance of carbohydrates and protein in wheat, as if we could ever know what the perfect balance is. Food processors were only concerned with what they could do to the food to make it more marketable, not with valuing the essential character and quality of the food as it comes from nature.

**Q:** You've summed it up in the past by saying, "I prefer butter to margarine, because I trust cows more than I trust chemists."

**Has your skepticism about technology gotten you into trouble?**

How is it in this country we are so willing to look at technology and say that it will solve all of our problems? We always rush right in, let "progress" take over, and never imagine that it may have a negative effect on the overall society. I'm not sure why, but I felt this even in the very early days of the internet, when the excitement was so high. I was thinking, "People aren't paying attention now to the environment. If everyone is busy watching frogs on their computers, they won't notice when the actual frogs disappear." That was decades ago and it is so much worse today.

**Q:** Are people similarly distracted when it comes to real food?

Yes, but they're beginning to wake up. Today the food industry fortifies breakfast cereals with B12, which is only found in animals in nature. There's a new film out about Michael Pollan's *In Defense Of Food* and it features a tribe in Africa—one week they are eating antelope, one week they are eating honey, another week berries from trees, all along with various plant roots. This is, it seems to me, the polar opposite of breakfast cereals fortified with B12. We've arrived at the idea that to be nutritionally complete, we need every day one food from column A and two from column B, that we need to manipulate and measure and supplement ingredients, this much fat with this much vegetable protein and no gluten, counting each



element. And we are trained to tell people to eat so many helpings of fresh fruit, winter and summer, forgetting that god doesn't make fruit in winter.

**Q. God does make organic Twinkies 12 months a year, doesn't she?**

That is not god. That is merely a god-like object called a factory, making a food-like object called a Twinkie. The point is that the professional field that should have been guarding the henhouse—attending to the integrity of food as it moves from seed to table, with attention to organic, biotech, hydroponics, energy, pollution, all the issues—this “field” has never really quite existed.

**Q. Maybe this is also why there is no field in finance called slow money.**  
We share many of the same concerns about the long-term costs of reductionism.

**Q. Isn't this where the idea of local comes in? Global financial markets are reduced to a bunch of abstractions, a bunch of numbers.**

**The place where you live and the life in the soil—these are the opposite of abstract. How did you get from nutritional reductionism to the local food movement?**

The idea of relocalization as a possible solution was suggested at the end of *The Feeding Web*. I was thinking, “People don't know we're importing pork from Haiti, the poorest country in the world. How can we make people aware of the madness and the destructiveness of this food system?” I thought the only way people could begin to learn how agriculture worked would be for them to get to know a farmer and the only way to do this would be to have a farmer in their vicinity and the only way there would be a farmer in the vicinity was if local people were willing to buy, in season, what the farmer grew.

Around 1990, when the national Organic Foods Production Act was passed, I was on a panel and asked to take a stand on local versus organic, and I came down on the side of local, saying that as long as we had local farmers, we could work with them to go organic, but once we lost the local farmers, the game was up.

Local developed in response to the corruption of organic by large industrial producers. There was a feeling that local couldn't be stolen from us. Which of course turned out not to be true.

**Q: Who has stolen local?**

Walmart is trying to position itself as a local player. But this poses all kinds of problems for small producers who get hooked into a large supply chain and become hostage to a system that over time drives prices down and hurts them and other local producers.

**Q: Is community supported agriculture a meaningful alternative?**

CSAs and farmers' markets are part of the solution. Food hubs are a significant new thing. Central locations that bring produce together and then distribute it. These take up where CSAs leave off. I'm worried that CSAs are facing competition today that is just too tough from home delivery and online ordering.

**Q: It all comes back to the internet, doesn't it?**

My friend Pam Cook has a wonderful story about the days of bulk purchasing through co-ops and buying clubs. Her buying club members used to get together to plan orders, and then again to divide the stuff up. But once you could order online, it ended the whole social structure. No one had to bother coming together. No one had to sit around and laugh. No one had to say, "If we're going to fill out the order, someone has to buy another pound of beans." It all died. The internet did it. The earth is down there breathing and we are not hearing her. The internet removes us from Mother Earth, makes us forget our dependence on her and on each other.



## REPORTS FROM THE FIELD

The boundaries between transactions and relationships are rich with possibility. Each person brings his or her money down to earth in their own way. Narendra Varma reflects on his innovative efforts with Our Table Cooperative (Portland, OR). Rory Holland shares his experience organizing Knives and Forks Investment Co-op (Vancouver, BC). Rosanna Bauman reports on the impact of winning a Beetcoin campaign (Garnett, KS). Nancy Thellman provides an overview of activities in the emerging Slow Money Northeast Kansas network (Lawrence, KS). George Weld looks back on the unsuccessful launch of Parish Hall restaurant (Brooklyn, NY). Leslie Christian explores what it means to invest in the soil in eastern Washington.

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### Our Table Cooperative

BY NARENDRA VARMA

In the late 1990s, after eight years working at Microsoft, my wife and I found ourselves on the receiving end of a financial windfall that freed us of the burden of nine-to-five jobs. Over time, our interests coalesced around the twin themes of food and community. We came to the realization that our contemporary food system has failed us at almost every level and that we need to work together with our community to imagine a new culture of food that is both abundant and resilient. Inspired by the burgeoning Slow Money movement, we decided to dedicate our time, knowledge, and financial resources to this effort.

We started with values: the health and well-being of people and the land, interdependent relationships, strong communities, and a worldview that sees humans as an integral and important part of the natural world. We wanted all the people involved in growing, raising, processing, distributing, cooking, and eating food to have an equal voice and ownership of their food: a model community-owned food system in which the farm feeds the



community and the community feeds the farm. Since economic and ecological sustainability were both critical, a for-profit structure was important. Our answer is Our Table—a cooperative business with three distinct but interdependent membership groups or classes—workers, regional producers, and consumers. Workers, from farmers to the delivery drivers, operate the cooperative’s farm and manage the organization. Producers are independent farmers and food artisans who grow and produce all the things that we want to eat but do not grow on our own farm. Consumers are the people who eat the food, which includes all of us in the community. The cooperative brings this diverse group of stakeholders together to the proverbial table to solve a common problem, and collectively, its members own and control the business and share the profits.

Since 2013, we have been raising a diverse array of vegetables, fruit, and animal products on our 58-acre farm located just 15 miles from downtown Portland. Combined with products from our regional producer members, this allows us to offer a full diet of Oregon-sourced and organic foods. Our on-farm commercial kitchen produces everything from jams and jellies to soups and lasagnas. All of this is available via a CSA program as well as in our on-farm full-service grocery store. The store is our primary retail outlet and the only farm-direct healthy food source for our middle-class suburban community.

With 16 employees and over 200 members, our gross revenues have grown to over \$550,000 in 2015. However, this ambitious undertaking is not profitable yet and to date, financing from Slow Money–inspired investors has provided crucial operating capital in the form of preferred stock. We hope to achieve profitability in two years with \$1.2 million in



revenues and 800 members. We are currently trying to raise an additional \$350,000 as we work towards this goal of financial self-sufficiency by 2017.

Over a few short years, we have overcome numerous challenges but continue to grapple with many more. Organic farming is a particularly risky business and the proverbial vagaries of nature are always rearing their ugly heads. However, the actual growing of food in a sustainable way is a complex but ultimately manageable problem. The more intractable issue is, at some level, far simpler—us: people; culture. On a day-to-day basis, what inspires me most is people, the individuals who work here and the members of our community who engage with us in myriad ways. On the flip side, the biggest single barrier to achieving our vision of a resilient and interdependent local food culture is the prevailing culture!

Our society does not place a great deal of value on the people involved in producing our food. The supreme irony of our business is that most of our workers cannot afford to purchase the food we produce! This is not because our food is overpriced. On the contrary, over 70 percent of our costs go towards payroll—at wage levels that are too low for comfort. The real reason most of us cannot afford our own food is because in our society, food is grossly underpriced. The true cost of production is not reflected in the majority of what we eat today because a large percentage of this cost is offset in space and/or time. We import much of our food from faraway places where labor is cheap and at home, we rely on migrant labor often working in near slavery conditions. At the same time, our farming practices destroy the soil, pollute our water, sicken our farmers, and decimate rural communities. As much as each of us may, at an individual level, abhor these practices and



their effects, we all bear a collective responsibility for them; it is our cultural values that create the system that results in these behaviors. In contrast, at Our Table, we make every attempt to price our food at what it truly costs to produce right here in our community, in a sustainable and closed-loop way. The result is that too many people in our community, including our own workers, find it difficult to purchase this appropriately priced food. The solution to this is not to make food cheaper by hiding costs but to change the value systems at the foundation of modern society. Obviously, none of us can undertake this herculean task alone. Certainly, none of us have all the answers. However, our society is a human invention—a figment of our collective imagination and if we act collectively, there is nothing to stop us from imagining and creating something different.

Our real task is to change the culture and the only way to do that is to change ourselves. As someone once said to me rather ominously, “It is time to unwind the hypocrisy of our lives!” Farmers intuitively understand that when stewarded with love and care, nature produces a bounty and abundance that epitomizes the concept of the whole being greater than the sum of its parts. We are a part of a larger whole, and coming together to collectively address common problems is a defining feature of what it means to be human. Pope Francis recently wrote, “We human beings are part of the environment. We live in communion with it.” It is in this spirit of communion, love, and collective effort that we come together at Our Table. Workers, producers, consumers, and investors—the entire community—to take ownership of our food and change our culture.

*Born and raised in India, Narendra Varma came to the United States in 1986 to attend Brown University. In 2010, after quitting his day job at Microsoft, Narendra and his wife Machelie purchased a 58-acre farm just outside Portland, Oregon to launch Our Table Cooperative.*

## Knives and Forks Investment Co-op

BY RORY HOLLAND

Here in British Columbia, we've got a dilemma. On the one hand, our government has rules against the average citizen risking their hard-earned dollars on investments in small business. On the other hand, they have no issue with their people taking that same money to the casinos and feeding the slot machines.



The only way the vast majority of people can financially support our local food economy is through joining a CSA, buying at the farmers' market, or maybe enjoying a Long Table dinner in a field. That's all great, and means a lot to the growers, processors, and retailers—but it's not enough.

Where does a start-up food entrepreneur go, who has little to no assets, to get the capital they need to buy seed or animal feed, put gas in the truck, advertise, pay fees for their market table, not to mention buy land?

There are only so many rich folks to go around.

A bunch of us in the Vancouver area have arrived at a solution. The Knives and Forks Investment Co-op is a legal structure that allows the '99 percent' to put their money where their mouth is. Members are entitled to invest up to \$4,900 in a pooled fund that will provide a suggested return of 2 percent. It's textbook Slow Money. We hold events twice a year where we invite five pre-vetted small companies to come pitch their ideas or business. After members vote and we conduct 'low threshold' due diligence, we offer loans to the top choices as decided by the whole.

We now have 50 investors and \$150,000 that is available to loan. In fact we've just chosen our first recipient, Sunday Cider, an organic craft cider company. Organic, local produce, locally made, and locally sold. It's a great start!

Evidently ours is the first of its kind in Canada. I'm hoping it's a replicable model, that can be used to leverage a large number of small amounts to increase the likelihood of sustainability among local food producers.

*Rory Holland, a lifelong resident of Vancouver, BC, is an entrepreneur and active investor.*





Dane Brown stirs a vat of cider. His company, Sunday Cider, received the first loan made by Knives & Forks Investment Co-op.

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## A Non-GMO Feed Hub for Kansas

BY ROSANNA BAUMAN



At the National Slow Money Gathering in November 2014, attendees heard Douglas Gayeton cite The Lexicon of Sustainability's motto:

**"Remember: Your words can change the world."**

I never dreamed that the words I spoke during my six-minute presentation on the stage in Louisville, KY, could have such an effect on the world around my family and our farm. The longer this Beetcoin Feed Hub project goes, the more I am struck by the truth of this rhetoric from Douglas Gayeton. An idea whose time has come is certainly a powerful thing. Back home in Kansas, my neighbors have helped to educate me on this truth.

There is, apparently, something potent about the thought that a farmer in your little hometown may have a powerful idea. Why did these folks go so far out of their way to support us in this project? In our rural area, we may not always agree on how to do things, but we do want to see each other prosper. The press has also been fascinated with the idea of a non-GMO Feed Hub for Kansas. We've always "farmed outside the lines" and as a result, made the news around here. But this Beetcoin Feed Hub project has generated more media interest than we've ever had.

Why has this so caught everyone's attention? Some of the attendees at Slow Money's National Gathering said they voted for our farm to receive the Beetcoin award because they thought that this project could change the state.



Some even mentioned, to my total disbelief, that this concept could change the world. I blew it off as overzealous congratulations. They had more insight than I did. I knew that this was a powerful idea, but I had no idea how powerful. And that new phrase that was hastily coined—Feed Hub—is indeed changing our world here in Kansas. The project hasn't even ground its first ton of feed, but I am amazed at how the locals have not only understood the concept of the project, but are excited about it. I am astounded at the number of farmers that we have never met approaching us and asking if we would buy their grain if they switched to non-GMO production.

Several of the most successful farmers that raise thousands of acres of GMO crops in the surrounding four counties have come out and asked if they could sell their grain to us, as they are getting tired of being pushed around by the big seed companies and want other options. Some of my neighbors who are mega-farmers have said to us: "I think you might be on to something. My cows don't like to eat the (GMO) corn that I feed them; they'll just sniff it and walk away." I expected a little bit of scoffing from my neighbors, as most are largely dependent on GMO crop production for their income. But I haven't even heard a whisper of discouragement. Being able to come home with an award-winning project from an event that had the word "money" in its title gives tremendous validation to our project. Often sustainable agriculture is not seen as "economically sustainable." Although grant money is nice, I am glad that this was a loan that we have to pay back.

It helps validate my project in the eyes of the local Kansans. Slow Money is a nonprofit that catalyzes money to “worthy causes” but ventures that are expected to be profitable.

We did not realize the full state of the non-GMO grain markets when we began this project, but we now are very aware that the missing link has been the connection between the farmer and the end user. Before the non-GMO grain markets can grow, the farmers who are willing to raise it must be able to get it to the consumers, be they animals or people. That infrastructure is totally gone in the grain industry, as the local elevators are only geared toward commodity and export markets. Farmers are nearly desperate for a local market for their grain that they can understand and see.

It is the truth when I state, “Without Beetcoin, this Feed Hub would have never happened.” But it is not the whole truth. We must recognize the people who make up the Slow Money movement—the investors, farmers, and thinkers—are the heart and soul of what makes this concept work. For our part, we must give credit where credit is due: that, without our belief that God had the ability to perform miracles on our farm, we would never have had the courage to take this giant leap of faith. What if there was a bag of GMO seed that nobody bought? In Kansas, we may find the answer to that question.

*Bauman Cedar Valley Farm won Slow Money's first Beetcoin campaign and received a \$60,000 3-year, 0% loan.*



## In the Back of a Dingy Bar

BY NANCY THELLMAN

Slow Money Northeast Kansas is now well into its second year, but I still consider it an emerging network. And as an emerging leader, I am about three years into this remarkable adventure.

Right off the bat I can say that finding folks who want to be part of Slow Money in Kansas has been easy because, thankfully, there are plenty who are dedicated to small, sustainable farms, local food, and building a healthy local economy. What's been more challenging—but definitely rewarding—is to get past our Midwestern reserve when it comes to talking about money, so that we can get on with the business of catalyzing Slow Money loans!

We started with 12 folks—some strangers, some friends—drinking non-artisan beer with stale peanuts in the back of a dingy bar. We had come together to consider what we'd heard at a Mother Earth News Fair presentation by Woody Tasch. After a few rounds and a pretty vigorous discussion, we decided to start Slow Money in Kansas.

Our first and most important decision was whether to be an investment club or a network. We chose the network structure—not for lack of fiduciary skills, since we had two financial managers and a banker in our midst—but so that all of us could participate in Slow Money regardless of financial ability. With that decision made, we held regular monthly meetings in Lawrence through the first year, moving the meetings to Kansas City from time to time to accommodate our urban friends. We grew from a dozen to several dozen and finally to over 80 people attending our first annual Entrepreneur Showcase in February 2015.

For the second year, we've chosen to move to monthly meetings held only in the fall and winter, keeping the busy farming months of spring and summer meeting-free. Our second showcase was on February 11, 2016. We had ambitious plans to hold educational events—helping potential investors understand the peculiar nature of farm- and food-related business plans and helping our entrepreneurs put those plans together in a semi-professional way—but time and energy and life intervened. Maybe in 2016? That is all to say, we've only scratched the surface of what a Slow Money network might do, especially in a state that is desperately hungry for good news. We take



the word “slow” as tacit permission to go at a pace that works with our already busy lives, which is essential as we are all volunteering our time.

To date we’ve done \$264,000 in loans benefiting seven different farm- and food-related enterprises. Here in our little corner of Kansas we’re pleased to have those first loans under our belt. And I can honestly say those loans are making a difference, particularly for one farm, Cedar Valley Farm in Garnett, KS, where Slow Money loans have made both a non-GMO feed hub and a USDA-certified processing plant possible. Those two new businesses have already had an impact, not just locally but regionally: More farmers are growing non-GMO crops for the new feed hub and more meat producers are keeping their products close to home in the local market.

Slow Money is, all at once, a call to action and a call to relationship—both sorely needed in this hurting world. Our actions are joined by a strong, shared vision, rather than by rules, regulations, or dues. The commitment to decentralization and diversity is abiding. I am grateful to be part of a movement that takes its work seriously but still has grace and humor and hope at its core, creating a community that is as accessible to the farmer as it is to the financier.

*Nancy Thellman is a county commissioner in Douglas County, KS. She lives on a small farm north of Lawrence, KS with her husband, Scott, and their three children.*

## From Parish Hall to Egg

BY GEORGE WELD

By the time I stood up at the Third Slow Money National Gathering in San Francisco and made my pitch for funding a restaurant I wanted to open in Brooklyn, I'd spent hours practicing my spiel, cutting words, changing phrasing, rewriting whole paragraphs to make my point more powerful and concise. I'd spent two years putting together the business plan, finding the space, building up the team, developing the design and menu ideas that would bring this new restaurant to life. I needed half a million dollars to make it work, and I had five minutes to ask for it.



I made it under the wire. Giving that pitch was an intense thrill, nerve-racking and exciting. The whole gathering was life-changing. Through it, I connected with investors who believed in what we were doing, and seven months later, the restaurant I'd dreamed of—Parish Hall—was open.

And 18 months after that, it was over. I was standing in front of a smaller crowd—my staff—telling them that we'd be closing at the end of the week. We'd made a great go of it, I said, and I was proud of all of them, and we were going to have a great final week, but all the good reviews and great press we'd received weren't enough to keep us solvent.

What had happened? We'd felt like we had everything lined up for success. We'd already spent six years in the neighborhood successfully running another restaurant, Egg, and we knew the area well. The street on which we'd set up Parish Hall was at the beginning of a boom. The staff we had in place was as good as you could find anywhere. Magazine after magazine wrote reviews that made us blush. The *Village Voice* called us the best new American restaurant in the city.

But in spite of all that, customers just didn't come in the way we'd hoped. We trimmed staff, tweaked our menu, ran specials, hosted events—everything short of ditching our menu and turning ourselves into a burger and wings place. We questioned everything: Was the restaurant too spare, the decor too severe? Was the menu too weird and unfamiliar? Did it change too much? For every argument we had for changing things, we had an equally compelling argument for leaving them the way they were. Countering every impulse to make a dramatic overhaul was a belief in the



importance of patience. I'd seen so many restaurants give up the ghost too quickly, or compromise their vision or values the minute that the going got hard—I didn't want to be that way, and I didn't think my Slow Money-oriented investors would want it either.

Fortunately, we had set up the business to provide us with some cushion; we'd designed it to be resilient. Investors in Parish Hall were brought in via a holding company that also owned our existing restaurant, Egg. So the failure of one restaurant didn't have to mean a total loss—it meant a change. It didn't mean abandoning our investors—it meant bringing them along as we changed course.

We closed Parish Hall at the end of January. We called all our friends in the industry to try to find jobs for our staff. And we started making plans to move Egg into Parish Hall's space. Egg had been bursting at the seams in its location, and the Parish Hall space (which we'd built with our Slow Money investors) gave it the room it needed to grow in a way it hadn't been able to do before. By the middle of February, we were ready to make the move. We closed Egg for one day, moved everything two blocks to our new space, and reopened the doors.

Egg packed the space that Parish Hall had struggled to fill. We had nearly twice as many seats in the new space as we'd had in the old, but on



our first weekend we had lines down the block. By the end of the next month, we'd been able to hire back nearly every employee we'd let go from Parish Hall. By the end of the year, we'd posted our best year on record.

Two years later, we're running a better business than we ever have before. We're a smaller company than I'd envisioned when I stood on stage at Fort Mason. But we're smarter, and we do a better job of living up to our values. I still can't say for sure why Parish Hall didn't work—we've had as many theories about it as we had dishes on our menu—but I can say that the work we did to make it happen in the first place continues to support the work we do now, just as the people who helped us get Parish Hall open continue to help us make Egg succeed.

One thing that I liked about Slow Money from the get-go was how it turned to sustainable agriculture for lessons about how to make a business work: We think about crop diversity and soil health, we think about returns on a long scale. Any farmer knows that sometimes—even when you've done all you can—a storm comes through and blows it all to hell. But if you've laid things out right in the first place, if you've been cultivating health throughout your business or deep in your soil, you find in those moments that you have a deep vitality. We saw it in our employees, in our customers, and I felt it in myself. It is the basis of resiliency. I was deeply humbled by the failure of Parish Hall, but I'm grateful for what its failure and our recovery have taught me.

*George Weld's lifelong interest in bringing food and people to the table was seeded by his father's pastoral vocation. George opened Egg in Williamsburg, Brooklyn, in 2005 and also operates Goatfell Farm in New York's Hudson Valley.*



# Living Lands and the Question of Scale

BY LESLIE CHRISTIAN

Three years ago, in collaboration with a group of farmers and investors, my spouse and I formed an LLC called Living Lands. Together we wrote our purpose and articles of incorporation to place the highest priority on soil health. Under the astute guidance and leadership of Jim Baird, a longtime farmer in eastern Washington and a founding member of Slow Money, we purchased a 100-acre piece of farmland in the Columbia River Basin. Jim manages the land in conjunction with his other activities, including Cloudview EcoFarms, an educational and experimental farm project with operations in Royal City and Ephrata.

Our conversations have been wide-ranging and spirited. We have talked about soil and carbon and the best way to figure out whether we are improving the health of the soil. We are all concerned about water, and it has been enlightening to hear from Jim and Sam (another investor and also a farmer based near Ellensburg) about the history of our state's water districts, irrigation programs, and farmer involvement. We are currently in the process of transitioning the land we purchased to certified-organic status, an important element in our pursuit of soil health, although by no means the "silver bullet." Last year we leased the farmland to a young couple Jim has been mentoring. By leasing our land and raising commercial crops (currently alfalfa), they are able to make a living as farmers while continuing their explorations of farming practices.

We are not going to "scale" Living Lands. We may form Living Lands II and buy another piece of farmland. When we do, we'll need to pay as much attention to it as we have to LLI. We found out that the property we bought has more rocks than we expected. It may not be suited to growing onions, but maybe potatoes. It's complicated, but that's what makes it meaningful. It's personal and place-based and unique. We are forming relationships that we wouldn't otherwise have had. We are placing the highest value on the land and the people who know the land.

Recently, I attended a breakfast meeting in Seattle. The sponsor was The Nature Conservancy's NatureVest, a relatively new division that is bringing private and public capital to conservation through various kinds of investment. If I thought 100 acres of farmland in eastern Washington was complicated, then the work of NatureVest is off the charts. Our state's land

commissioner spoke about the scope of the need for conservation and at the same time the intimate, personal nature of every transaction. I cannot imagine NatureVest “scaling” its work. Rather, I see it experimenting, trying out ideas, sharing what works and doesn’t, spending a lot of time and energy in design and detail, and putting together fascinating, compelling conservation investments that address what’s really needed for life on this planet to sustain.

With Living Lands, it’s one piece of land at a time. And the same is true of NatureVest.

The vocal financial mainstream is dismissive of “one-offs” and seems to prefer algorithms to human ingenuity and common sense. In fact, even an employee of The Nature Conservancy had the audacity to say that he really hoped we wouldn’t need TNC and NatureVest someday—that the goal is to “figure all this stuff out” so the real money can come in and get all of this “to scale.”

But, really, these are the kinds of investments that should take over the world—not by scaling so that Wall Street can swoop in and do its “magic,”



Jim Baird in a field of organic vetch in the Columbia River basin

but by inspiring the participants, engaging the public and working at an essential level—real dirt, real trees, real plants, and real people.

Scaling means making a product, service, or solution more uniform and repeatable. This may have made sense back in the industrialization and manufacturing eras of the 19th century and maybe the 20th century, but we have gotten carried away. For people who are so proud of our innovations and creativity, we are really quite old-fashioned to believe the same principles that brought us through the industrial age are going to see us through this next era. We seem to think it's appropriate to scale everything—farms, education, healthcare, and even relationships. Yet, people and places are so much more diverse, nuanced and interdependent than assembly-line products or software code. When we scale enterprises that directly serve people and places in all of their uniqueness and weirdness, we must inevitably standardize our understanding of those people and places. In the process, we surely fail to engage them or ourselves fully. We sacrifice quality for quantity.

There's another aspect to this insistence upon scaling. It feels top-down and controlled. It may be rationalized as a way to reach more people, but the underlying motivation is inevitably connected to increasing profit margins. We should ask, "Scale for whom?" When we talk about "getting to scale," it usually means getting to a scale that makes investors happy. Unfortunately, happy investors are often inclined to ignore or minimize employees, nature, communities, and families.

Like many of my friends and colleagues in Slow Money circles, I know it is time to move in a fundamentally new direction.

*Leslie Christian is a financial advisor who has been a leader in social and environmental investing for decades. She is a senior advisor at RSF Social Finance and NorthStar Asset Management and past board member and treasurer of the Business Alliance For Local Living Economies (BALLE). She was previously president and CEO of Portfolio 21 Investments.*





# INVESTMENT TRACKING

The Slow Money Institute (Boulder, CO) tracks dollar flows through the Slow Money network. Each small food enterprise is a test plot for efforts to fix the economy from the ground up. Below are a few samples of 2015 Slow Money investments.

## Crown O'Maine Organic Cooperative

**Worker-owned | \$150,000 | 1 Investor**  
**North Vassalboro, ME**

Crown O'Maine is a worker-owned cooperative that distributes Maine grown and produced foods across the state and into New Hampshire and Massachusetts. Since January 2009, the co-op has sold nearly \$10 million worth of Maine-produced foods. They have held a clear vision of expanding market opportunities for farms across Maine. Their goal is to grow from \$2.5 million in annual sales to \$10 million over the next five years. Since 2010, Crown O' Maine has received \$375,000 in loans, loan guarantees, bridge loans and grants from seven investors through Slow Money Maine's network, including one loan of \$150,000 in 2015.



Marada Cook, Co-Director of Crown O'Maine Organic Cooperative

## Community Grains

**Bob Klein | \$380,000 | 12 investors**

**Oakland, CA**

Community Grains was founded in 2010 when Bob Klein was seeking to source California-grown wheat for his restaurant's handmade pasta. Discovering a number of bakers and chefs who were similarly interested, as well as farmers curious about including grains in their rotations, Community Grains began with the mission to help build a local grain economy in the Bay Area. After presenting at Slow Money Northern California's events in 2015, the company secured investments from 12 individuals.



## Copia Farm

**Caitlin Bergman and Dan McLeod | \$5,000 | 1 investor**  
**Johnstown, OH**

Caitlin and Dan, owners of Copia Farm, were brought to farming via permaculture. On the farm, pigs are nourished under oak and pine forests, chickens are constantly moving here and there through green pastures, and vegetables, perennial food forests and owners are fertilized via the animals on-site. An ongoing project at Copia has been to create a chicken feed ration utilizing spent brewers grains from Columbus breweries. Ordinarily, these grains are difficult for breweries to handle and often get sent to the landfill. An investor from Slow Money Central Ohio provided \$5,000 to purchase a mixer-grinder, allowing Caitlin and Dan to make a fresh, uniform feed to supplement their pastures, yielding a high-quality local egg with a hard shell, bouncy and golden yolk, thick albumen, and excellent flavor.





## Ozuké

**Mara King and Willow King | \$25,000 | 1 investor**  
**Boulder, CO**

Ozuké makes kraut, kim chi, and pickles, supporting a network of local organic growers, employing a workforce that is paid a living wage, and teaching people across the country how to make and enjoy fermented foods. In April 2015, 12 Colorado angel investors got together for their first Earthworm Angels dinner and one of them invested \$25,000 in Ozuké. Previously, Colorado-based Slow Money investors had invested \$70,000 in the company. In 2015, Ozuké contracted for the growing of 100,000 pounds of local, organic cabbage and beets in the Front Range.





## Piedmont Biofarm

**Brett Evans | \$21,000 | 6 investors**

**Pittsboro, NC**

Brett Evans already had some significant farming experience when he began interning at Piedmont Biofarm. So, when the opportunity to become an owner of the farm presented itself, he jumped at the chance. With a loan of \$21,000 from six Slow Money North Carolina lenders, Brett was able to construct a cool room to house his produce and purchase a walk-behind tractor and a specialty truck, allowing him to bring produce to market and make restaurant deliveries with far more efficiency than is possible with a traditional pickup truck.



## Proud Processing and Distribution

**Blake and Judy Roby | \$9,000 | 3 investors**

**Elizabethtown, KY**

Blake and Judy Roby founded Proud Processing and Distribution to allow Kentucky farmers to sell all of their produce in one place. Their 18,000-square-foot warehouse serves as a collection hub that is separated into two divisions: a grading and sorting division to classify products according to industry standards, and a processing division for the creation of value-added products. Three investors loaned Blake and Judy \$9,000 which allowed them to buy a green-bean snipper so they could deliver beans ready for use in restaurants and commercial kitchens.



## Sustainable Iowa Land Trust

Suzan Erem | \$210,000 | 2 investors

Iowa City, IA

After winning a \$20,000 zero-percent Beetcoin loan at Slow Money's Fifth National Gathering, Sustainable Iowa Land Trust (SILT) president Suzan Erem continued to successfully fundraise. An attendee at the national gathering provided SILT an additional \$10,000 to hire a fundraiser, and a few months later Slow Money investor Sallie Calhoun provided a \$200,000 bridge loan, which allowed SILT to purchase 53 acres of farmland outside of a major metro area. That land is being transitioned to organic by a next-generation farm family.



## Almondgy

**Chantal and David Genecand | \$53,000 | 5 investors**

**Carouge, Switzerland**

After a few years working for a multinational agribusiness company, David and Chantal Genecand founded Almondgy. Through their interest in running, weight training, and yoga, they discovered that they were unable to find suitable snacks for healthy energy. They developed Almondgy, an organic energy bar with only five ingredients: almonds, honey, egg whites, coconut, and natural aroma. In early 2015, after seeing an article about Slow Money France in a Swiss newspaper, they contacted regional Slow Money leader Aymeric Jung.





# SCRIBBLINGS OF AN AFFECTIONATE BEETNIK

Perspectives on Beetcoin, the role of crowdfunding, and the ins and outs of local organizing in Colorado.

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## Experiments in Democratizing and Unfiduciarizing

BY WOODY TASCH

You can tell I struggled with the title. The Beetcoin Beat was out. And there are too many farmers' market and co-op newsletters and blog posts called The Beet or The Daily Beet or The Beet Goes On. I could have called this The Mad Beetnik Liberation Front, in homage to Wendell Berry. But that would have been too derivative. And you know what I think of derivatives.

At first blush, such playful language, not to mention the Beetcoin artwork, sporting a quote from Tom Robbins, might not seem appropriate for serious acts of investing, financial entrepreneurship or fiduciary activism.



Artwork by Alec Thibodeau

But beets don't blush and neither does Vladimir Putin, or Donald Trump, or John Maynard Keynes. So, we must be on the right track.

There are many reasons—hundreds of years’ worth and hundreds of trillions of dollars’ worth and 400 parts per million of carbon in the atmosphere’s worth of reasons—that economics has been called the “dismal science.” While it is woefully inadequate as a measure of all that has value in culture and nature, it is astonishingly effective as an agent for capturing our intention and directing our action. So, if we are going to demystify, humanize, democratize, and unfiduciarize the money part of our lives, we are going to need new language, new stories, new reserves of humility, new reservoirs of humor.

Occasionally, this may mean a little Beecoin.

Since this inaugural edition of the *Slow Money Journal* comes out a few months after Slow Money’s first regional online Beecoin campaign, this Affectionate Beetnik would be remiss in not commenting on this imaginary non-currency, with an eye as much to its cultural and strategic implications as to the success of its initial application in Colorado.

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There is something oxymoronic in the notion that a movement dedicated to bringing money back down to earth would seek to do so utilizing the internet. Yet from the outset, the impulse has been strong to democratize slow money investing, to allow participation at all levels—from angel investors (writing checks of \$50,000 or more into individual transactions), to investment club members (putting \$5,000 into a portfolio of small loans) to crowdfunders (who can invest or give \$50 or less at a time).

No fiduciary in his left mind would ever take on such an assignment.

Let’s pose this: Crowdfunding may be the opposite of community-supported agriculture. Crowdfunding is about quick, distant, ultra-convenient transactions; CSA is about slow, local, not terribly convenient, ongoing relationships. Crowdfunding is about clicks; CSA is about carrots (neither crowdfunding nor CSA is about sticks). Crowdfunding is about sound bites and viral videos; CSA is about conversations and handshakes. Crowdfunding takes place in cyberspace; CSA takes place here.

So, when Beecoin is successfully deployed to raise \$56,035 from 365 people in an online campaign featuring eight Colorado-based small food enterprises, what are we to make of it? That is a large sum of money compared to the average food-related Kickstarter campaign, which raises \$4,110 from 60 people.





Darlene Ericson holds one of the younger goats as Mountain Flower Goat Dairy in Boulder held a "baby goat shower" on Saturday. The dairy is one of the entities vying for Beetcoin funding. *Cliff Grassmick, Daily Camera*

# SLOW MONEY

*The Boulder-based nonprofit, which encourages investors to put their money back into the earth, dips its toe into crowdfunding with Beetcoin*

By **Emilie Rusch** *The Denver Post*

**S**low Money is bringing its back-to-the-earth investment ethos to a new financial frontier: crowdfunding.

The Boulder-based nonprofit, which encourages investors to put their money into small farms and food businesses, is running a new online campaign, called Beetcoin, aimed at people who are passionate about local, sustainable food — but may not have \$5,000 to invest.

"We've never had anything for the \$50 or \$25 (investment)," said Slow Money founder Woody Tasch, who launched the grassroots

movement with his 2008 book, "Inquiries into the Nature of Slow Money: Investing as if Food, Farms and Fertility Mattered."

"We'll have meetings with 200 people, and you'll have maybe 20 angel investors and maybe 20 people who have \$2,000 from their IRA to invest," Tasch said. "The other 160 were all potential crowdfunding."

Through Oct. 31, funders can go to [slowmoney.org](http://slowmoney.org) and "purchase" Beetcoins, which are, in reality, tax-deductible donations of \$25 or more. The goal is to raise \$50,000, with eight Colorado food producers and nonprofits competing for a

**MONEY** » 10A



Beetcoin winners Taber Ward (Mountain Flower Goat Dairy in Boulder, CO); Eric Kornacki and team (Westwood Food Cooperative in Denver, CO); and Katie Slota and Nic Koontz (Poudre Valley Community Farms in Fort Collins, CO)

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On the surface, Beetcoin was effective. It worked. Small food enterprises participated. Donors voted. Fundraising exceeded its target. Three 0% loans were made. Media interest was piqued. But at second blush, was the process efficient?

To effect this campaign, roughly 252,000 email messages (that's eight messages to a mailing list of 31,500 people) were sent from Slow Money headquarters and we can only guess how many total emails were sent from the eight food enterprises to their lists. If we assume two messages from each of eight companies to lists averaging 2,500 each, that's another 40,000 messages. Facebook ads placed by Slow Money for this campaign reached more than 75,000 people. Then there's Twitter. Michael Pollan tweeted this campaign to his 484,000 followers. Doesn't all this constitute a kind of psycho-electronic footprint? If tractor tillage has the unintended consequence of releasing carbon into the atmosphere, does crowdfunding have the unintended consequence of releasing bits of befuddlement-inducing mental pollution into the public square?

There were other more immediate costs of the Beetcoin campaign. Two Slow Money staff people worked virtually full time (note to self: how does *this* use of the word virtual relate to its use in the phrase *virtual reality*?) for five weeks developing, marketing, and monitoring this campaign. A two-minute video was produced for each of the eight food featured enterprises. Web pages were produced.



And then there were ... the seed packets. Ten thousand packets of heirloom beet seeds donated with joyful generosity by Baker Creek Heirloom Seeds. Here's the front of the seed packet:

(On the back are, imagine that, actual planting instructions.)



These seed packets were distributed at more than a dozen retail outlets around Colorado—the Kitchen, Bramble & Hare, Salt, and a few others in Boulder; Colterra in Niwot; Linger and Root Down in Denver; a few Boulder specialty food shops, including Wonder juice bar and Cured artisan foods; and baskets of Beetcoin seed packets were put at the counters at Patagonia stores in Boulder and Denver. The Whole Foods in Basalt put packets out by the registers for a week or so, as did Lucky's Market in Boulder and Town restaurant in Carbondale. Meat and Cheese and Justice Snow's restaurants in Aspen passed them out for a few days. Some of the packets even made their way to the farmers' market at Telluride. (That's a decent trek, even as the beet seed packet flies.) It's a little known fact that female baby boomers and millennials of every stripe who are in the process of paying at a Patagonia counter for either a fleece pullover or a pair of organic blue jeans are 479 times more likely than a 58-year-old male corn and soybean farmer at the Boone County, IA, county fair to pick up a free Beetcoin seed packet and say, "Hey, what's this? This is cool. I'm gonna pull out my phone and buy Beetcoin!"

That's a lot of electronic rope pushing and a lot of seed packet peddling to get 365 people to donate. Yes, there were more than a few smiles along the way and more than a few very warm, perhaps almost memorable smiles.

Yet, one person's playful seed packet promotion is another's unwanted solicitation. One person's electronic rope pushing is another person's junk email. One person's playful online community-building fandango is another's financial scheme in sheep's clothing.

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During the campaign, the following anti-fiduciary frustration was shared with Taber Ward, executive director of Mountain Flower Goat Dairy, the eventual Beecoin winner:

On Weds., Oct. 21, 2015, at 12:09 p.m., Ianna wrote:

*Hi Taber and team,*

*I came to greatly admire your goat action in Boulder! Big fan of your heart-and-mind-and-gut venture. I also heard good things about slow money.*

*When I saw that you're promoted with the "beecoin" initiative, I thought "great." When I looked closer, I was surprised to discover that my contribution would not (necessarily) go to Mountain Flower? Huh? Apparently, my contribution would go to whoever wins an American Idol type of audience poll, although I'm attracted mainly by your cause.*

*Why did you agree to this awkward go-in-between setup? In the past couple of years, I have contributed to several Kickstarter campaigns where I know where my money goes. Very refreshing- what a difference to my 401(k) and mutual funds! If I were OK with not knowing where my money goes, I'd go to Wall Street. Somehow I thought that slow money would be about fostering direct relationships and transparency. (cc'ing Woody Tasch—hope I guessed his email correctly)*

*The farmers and food entrepreneurs should be at the center, not a financial—however cute—middleman.*

*I really like Mountain Flower, more than the other also nice causes. If other people like other projects and vote for them, their Beecoin money should go to those. However, I don't want their votes to redirect my money away from my favorites. Goat power!*

*Back to the drawing board? Kickstarter? Or?*

*Meehh!*

*Ianna*

On October 22, 2015 at 11:48 AM Taber wrote:

*Hi Ianna:*

*I appreciate you taking the time to share your thoughts on the Beetcoin campaign. Thank you for your kind words about Mountain Flower Dairy as well—it's always reaffirming and impactful to hear from the community.*

*Your question about why we are participating in this campaign is a good one. We have a couple of reasons why Beetcoin was a good choice for us:*

*1. We tried a direct "kickstarter" type campaign using a local crowdfunding platform called One Fund. Given our limited resources, we weren't able to produce a movie that was very compelling, nor did we have the social media and networking resources that Slow Money brings to the table, so our campaign brought in about \$250. Slow Money organized and paid for our video, social media, networks and a platform for us to get the word out about Mountain Flower. This campaign has put us on the map nationally and has helped us raise funds from folks across the country who care about sustainable animal husbandry.*

*2. We care about the other food entrepreneurs participating in the Beetcoin campaign. In the end, we would, of course, be thrilled to win the Beetcoin money. But, all of the food projects in the campaign contribute to our ultimate vision, which is changing the food system to support sustainable, local and family farms and move money away from corporate, factory, chemical-based farming. By working together, and cooperating in this crowdfunding campaign, it gives us all a better chance to receive funds and get the word out about our project.*

*Thank you again, Ianna, for your perspective on Beetcoin and support of the dairy. You certainly can donate directly to us via our website, and since we are a nonprofit, your donation would be tax deductible. However, a donation (and your vote!) to the Beetcoin campaign gives us a shot at a larger pot of money—and every vote helps!!*

*Hope you have a lovely day!*

*Peace, love and goats,  
Taber*

What Taber didn't highlight is the democratizing implications of one person, one vote, whether you donate \$5,000, as two individuals did, or \$25, as hundreds did. Then there's the possibility that if enough people were to participate in enough Beecoin campaigns for enough years, the pool of funds built by 0% loan repayments would gradually scale. Not scale in the manner of what venture capitalists used to call home runs, then called moonshots and now call unicorns, but grow, nonetheless.

One might think of Beecoin as occupying a place in the fiduciary scheme of things that is about as far from Wall Street financial razzmatazz as can be. Yet clearly, for some it is still financial intermediation and therefore not to be trusted. The above communication and others in which Ianna doubled down on her disgruntlement demonstrate that distrust out there in cyberspace runs deep. The Aquifer of Trust goes down; the Sea Level of Vitriol rises.

The reader may or may not be surprised to learn that not only did Ianna not participate in the Beecoin campaign, but she also chose not to take Taber up on the offer to simply donate directly to Mountain Flower Goat Dairy. That is, someone who took the time to write multiple emails arguing against intermediation did not, when all was said and done, simply make a direct donation to the particular enterprise that had garnered her affection.

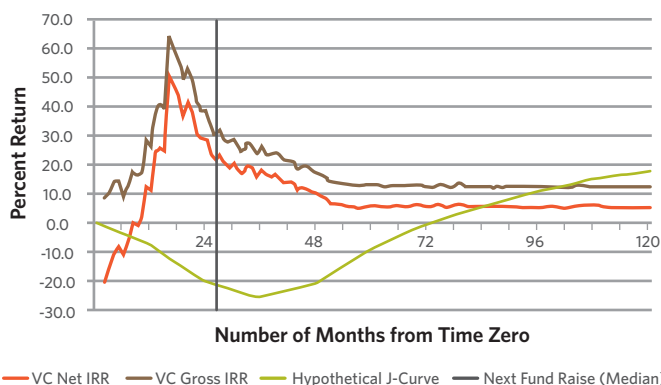
This may say something about the internet. It is all too easy to confuse venting with acting. Fleeting attraction masquerades as genuine affection. Distrust lurks everywhere.

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That the internet can be a powerful accelerant for distrust is obvious by now, in this age of cyber-bullying, shadowy rants, anonymous character assassinations, and terrorism. The tsunami of superficial, relatively anonymous interactions and warring sound bites does substantial collateral damage to trust, respect and affection. Much of this collateral damage gets obscured by the allure of the viral.

This phenomenon has an odd corollary in a most unexpected corner of finance—venture capital. When the Kauffman Foundation made ripples in the investment community a few years back by publishing the disappointing results of its venture capital investments, it concluded:

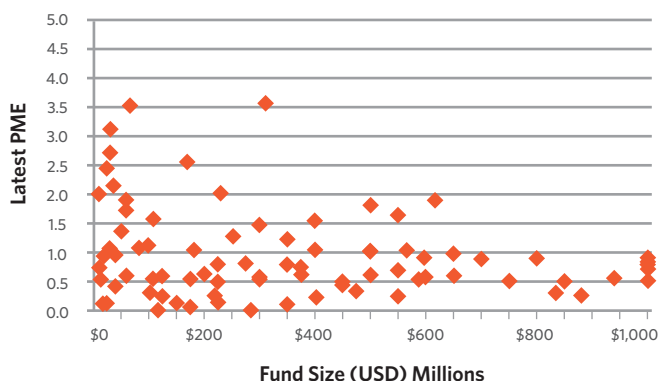
## The Kauffman Foundation VC Portfolio “n” Curve



Source: Kauffman Foundation VC portfolio analysis.

Note: The peak URRs that our data show in part reflect the historically unprecedented returns from VC during the Internet boom. Excluding those extreme years changes the height, but doesn't alter the shape of the anti-J-curve.

## The Kauffman Foundation's Best-performing VC Funds are Smaller Than \$500m



Source: Kauffman Foundation VC portfolio analysis, ninety-five VC funds, vintage years 1989–2007

*The Kauffman Foundation began investing in venture capital funds in 1985 and has been a limited partner in more than 100 funds managed by more than sixty General Partners, many of which have been considered “top-tier.” We conducted significant historical performance analyses of our venture capital portfolio and the results show chronically disappointing returns over most of the twenty years studied, no matter which way we slice the performance data—IRRs, investment multiples, or PME. This was a surprising and unexpected conclusion ... The average venture capital fund fails to return investor capital after fees ...*

*The historic narrative of venture capital investing is a compelling story filled with entrepreneurial heroes, spectacular returns, and life-changing companies. The quest to invest in the next Google guarantees that venture capital will retain its allure and glamour, even in the face of the disappointing results. (We Have Met The Enemy And He Is Us, Kauffman Foundation, May 2012)*

Crowdfunding chases the allure of virality. Venture capital chases the allure of astronomical financial returns. In their pursuit of millions and billions—millions of clicks, billions of dollars—each runs the risk of losing “historic narrative” and “compelling story” in a noisy tale of intermediation and financial abstraction.

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Innovations in financial intermediation come with a long tail of ambiguity, hidden costs, attenuated trust, and promise that is difficult to fulfill.

Does reflecting on such things impel us down a path that leads in the general direction of the far-flung foothills of Luddism? Perhaps. We must not be afraid. It is in such regions that some of the world’s finest borscht is still to be found.

But there is a region far closer to home to which we must turn our attention. This is the region of ... the region of ... the place where we live. To become a fully engaged citizen of this place requires no technology. It requires no venture capital expertise. It requires, merely—although, in today’s world, this ‘merely’ can seem daunting—that we invest a little of our money and more of our time in the care of this place. Starting with building a healthy local food system.

Crowdfunding can be a help, here, but it is a limited tool. We need to come together directly, to learn together, to break bread together, to develop an allegiance to one another and to this place that is as strong as the allegiance we give to distant markets and financial abstractions. A few hundred of us began doing just that last September in Snowmass and Carbondale in a two-day regional Harvest Festival weekend, enjoying a process of shared learning and presentations by the eight food entrepreneurs who would subsequently be featured in the Beetcoin campaign. And scores of us Coloradans have joined four investment clubs—in Denver, Boulder, Fort Collins, and Carbondale.

These are experiments in demystifying, humanizing, democratizing and unfiduciarizing the local economy and the local food system.

Which is why, not infrequently, from the hills of impact investing to the vales of carbon farming to the fields near Mount Sopris, you may hear this Affectionate Beetnik using phrases like “the CSA of investing” and “in as non-fiduciary a way as possible.”

That is, when he’s not busy handing out Beetcoin seed packets or planting beets in his own garden.

## GROW YOUR OWN FOODSHED

### SLOW MONEY SOWS SEEDS FOR A HEALTHY FUTURE

**FOR THE PAST DECADE,** Don Lareau and Daphne Yannakakis have championed the little-known Slow Flower movement, growing more than a thousand varieties of certified-organic flowers on their 35-acre Zephyros Farm and Garden in Paonia.

"Most people don't realize that 80 percent of the flowers at City Market or Whole Foods or a florist is coming from outside of this country," Lareau says. "They're not



AMANDA  
RAE

organic — and you're not eating them — but people smell them and it's a way to get chemicals into your body. It's a level of production that's really nasty."

During a roughly 30-week growing season in spring and summer, the couple sells freshly cut blooms at farmers' markets from Aspen to Telluride. In the past few years, they've branched out by making deliveries to florists throughout the North Fork and Roaring Fork valleys — in a 2004 Honda Pilot. The tall, boxy SUV boasts ample cargo space, indeed, but it lacks a crucial feature: refrigeration.

"Flowers can look pretty sad if they're in a trailer all day," Lareau says of the truck-pulled setup he uses to haul product to vendors. Not only that, but attending two markets in a day is virtually impossible.

The couple has tried to secure an operating loan to purchase a refrigerated box truck. "We've been turned down point-blank," Lareau says. "Most traditional banks won't lend a farm like ours money. We don't make enough for them to feel secure. It's a hard business to run."

In July, though, Lareau and Yannakakis found a savior: The 2Forks Club, the new Roaring Fork Valley-based chapter of the nationwide Slow Money network of investment clubs. Having amassed its goal of \$100,000 in capital from 26 member-investors, the 18-month-old 2Forks Club had recently begun accepting proposals from food entrepreneurs hoping to

grow their businesses. (As it turns out, 2Forks is the only one of 13 Slow Money clubs in the country that is entirely not-for-profit. Members make donations — so far ranging from \$150 to \$30,000, says 2Forks founder Susan Brady — used to offer zero-percent-interest loans that are paid back to a fund that will grow in perpetuity.) Three weeks later, Lareau and Yannakakis purchased a 16-foot refrigerated box truck.

"If you've heard of Slow Food—this idea that we need an alternative to fast food to be healthy, an alternative to large-scale industrial agriculture to produce healthy food, and a larger number of smaller diversified organic producers — then you understand that we can't just use our consumer dollars, we must use our investor dollars to invest in small food enterprises if we want to see change," says Slow Money founder Woody Tasch.

In three months, the impact on Zephyros Farm and Garden has been game-changing: The family operation has more than tripled its business.

"Before we were only going from Carbondale and Aspen, now we're able to go up to Eagle and Vail, too, all in one day," Lareau says. "We were only taking orders for four florists; now we're up to 12 or 13, and adding more. Florists tend to get a lot of last-minute orders, so it's hard for them to order what they need ahead of time. This way they can jump on the truck and grab more."

Bottom line, Lareau says, "We are able to sell a lot more flowers. This is where Slow Money can make a huge difference for small farmers, [who] don't need a whole lot of money, they just need a little bit — even 5,000 or 10,000 bucks to pay people in the early season when you have a tremendous amount of work to do but you don't have any income coming in."

Woody Tasch, a Boulder-based finance whiz and former chairman of nonprofit Investors' Circle, began spreading the gospel of Slow Money in 2008, after publishing his widely respected book, "Inquiries



into the Nature of Slow Money—Investing as if Food, Farms and Fertility Mattered." So far, the movement has directed more than \$41 million to more than 400 small-food enterprises nationwide. Of that, more than \$2.5 million has flowed through Slow Money's network to 20 deals in Colorado in the past few years.

In September, Tasch hosted the first-ever rural Slow Money conference in Snowmass and Carbondale: two days of workshops, presentations, and discussion on local food, culminating at the annual Harvest Festival at Sustainable Settings. More than 300 people attended, many of them investors and many "just regular folks who want to know where their food comes from and where their money goes," Tasch says. Of 25 Slow Money applications, Sustainable Settings was the sole presenter from the RfV, asking for a zero-percent-interest loan to fund construction of a solar-powered dairy barn.

Now, Tasch is taking to the Internet. On Oct. 1, Slow Money launched Beetcoin, a crowdfunding site aiming to raise at least \$50,000 to offer more of these loans. (See sidebar, opposite.)

"Slow Money: it seems like an

oxymoron," says Brady, who was so energized upon meeting Tasch at a national conference in spring 2013 that she launched The 2Forks Club in January 2014 with five investors. "When you say, 'not-for-profit investment club,' people look at you with a blank stare. Part of what we're doing is education. You shut down Interstate 70 for more than three days and there's no food on grocery store shelves. It's about creating a sustainable foodshed — that's the investment."

So far, Brady calls the collaboration "beautiful." When 2Forks reviewed the Zephyros Farm proposal, "the only concern was that they were asking for enough money. The last thing we want to do is burden them; if they get an inferior refrigerated truck and it's breaking down all the time, we're not helping."

Ultimately, Slow Money is about uniting folks who care about the future of our food, whether wealthy investors looking to boost the system to crowdfunders who want to chip in 25 bucks via Beetcoin.

"It's not just for fancy investor types," Tasch says. "There's something special about bringing everyone together under one tent. We all have to do what we can."

amandarae@earthlink.net



## NEED TO KNOW

Slow Money  
slowmoney.org

The 2Forks Club  
Susan Brady: sbrady@sopris.net



## THE BEET GOES ON

"The whole idea is to create a nontraditional flow of capital that grows over time," says Slow Money founder Woody Tasch, who launched the Beetcoin crowdfunding campaign on Oct. 1. Through the end of the month, users who contribute \$25 or more are able to vote for one of eight featured Colorado entrepreneurs vying for a zero-percent-interest loan to help jumpstart their food business. The company with the most votes receives 80 percent of the money pool; second and third place receive 10 percent each.

"Prior to the campaign we asked several of the entrepreneurs if they'd rather have donations to each company," Tasch says. "They all said that the competition was a better way to 1) ensure that the amounts of the loans would be more meaningful and 2) drive more online engagement."

As of publication on Oct. 6, Beetcoin — a play on Bitcoin, natch — has already raised \$10,320 of its initial \$50,000 goal. Beet that!

slowmoney.org/beetcoin



"SLOW MONEY IS ONE OF THE KEYS TO A HEALTHY FUTURE."  
—BILL MCKIBBEN, ENVIRONMENTALIST, AUTHOR AND  
FOUNDER OF 350.ORG

TOP TO BOTTOM: Sustainable Settings in Carbondale hosted a Slow Money conference in conjunction with Harvest Weekend on Sept. 20. Ben Austin (left) and Jim Mills of MM Local Foods have grown their business with the help of Slow Money. Brook and Rose Le Van of Sustainable Settings have applied for a Slow Money zero-percent-interest loan to build a solar-powered dairy barn.



# From Bitcoin to Beetcoin

BY WOODY TASCH

I don't know what a bitcoin is.

I know how bitcoin is described in the media, that it is called a cryptocurrency, that the Japanese programmer who created it is shrouded in secrecy, that it has been used by drug dealers, that venture capitalists are pouring billions of dollars into "mining" it, that websites feature pictures of virtual gold coins with "B" on them, that in a few urban spots there are BTMs, as in, Bitcoin Teller Machines, that it was created as a radical alternative to central banks' fiat currency—I know all this but I if you ask me, do I really know what bitcoin is, I'd have to say, no, not really.

Which makes me reflect upon so many other things in the "I Know That Department," but which, were I to slow down long enough for full reflection, I'd realize "I Don't Really Know That After All."

I don't know why the Gaussian copula formula morphed so wildly into an entire derivatives industry, almost pulling down the entire global economy.

I don't know why the derivatives market is larger now, hundreds of trillions of dollars larger, than it was prior to the Great Recession.

I don't know if GMOs are the derivatives of agriculture.

I don't know whether the first human settlement on Mars will be American, Chinese, Russian, or vegan.

I don't know how much my financial security depends upon the next hundred million Chinese car buyers.

I don't know why I can't get the idea of hitting Vladimir Putin over the head with a bunch of heirloom beets out of my head.

But I do know who to thank for one of the most playful opening lines a novel ever had, "The beet is the most intense of vegetables." Thank you, Tom Robbins.

And I do know I want my beets to be as fresh, as free of petrochemicals and as nutrient dense as possible, grown in healthy soil, rich in organic matter and home to happy earthworms and all manner (as in billions and trillions) of microorganisms, most of which still haven't even been named.

And I do know I want my community to be home to a healthy population of small and midsize diversified organic farms and all the small food enterprises that process and distribute their food, creating a vital foundation



for a healthy, resilient local economy: fruit and vegetable growers, pasture based livestock operations, seed savers, compost makers, niche organic brands, co-ops, CSAs, farm-to-table restaurants, farmers' markets, dairies, cheese makers, artisan bread bakers, school gardens, urban gardens, and more.

So, with just a few moments of reflection, it has not been all that hard for me to look beyond the abstract, distant, speculation-riddled, financial razzmatazz of bitcoin and turn my attention to Beetcoin—a new way for folks to chip in \$25 or more, vote for a small, local and/or organic food entrepreneur, and bring some of our money back down to earth.

It's beets without the stains on your cutting board. It's a new kind of soil-centered, local-food-nurturing, pay-it-forward-enabling crowdfunding. It's as much fun as you can have without going to a Slow Money meeting.





## ESSAYS

In “My Agricultural Grandparents,” Eliot Coleman recognizes the influences of farmers and writers who came before him. In “Hub of the Revolution,” Stephen Grace celebrates the entrepreneurial spirit of farmer Dan Hobbs in Colorado’s Arkansas Valley. In “State of the Soil,” Woody Tasch explores the triple-bottom-line, measures of economic growth, and financial weapons of mass destruction.

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### My Agricultural Grandparents

BY ELIOT COLEMAN

It is not uncommon for farmers to talk about the influence their grandparents had on their farming education and their eventual success in agriculture. I am no different. But my story comes with a unique twist. My paternal grandfather, Leander Walter Townsend Coleman, was born in 1868 but was not a farmer. Unfortunately for my farming career, the Coleman family association with farming on the family land had ended three generations before Leander’s birth. So the grandparents I am about to acknowledge are not related to me by blood. And, although they are long deceased like Leander, they still reside on my farm and I consult them on a daily basis. My grandparents in farming are old books and the people who wrote them. They live on the shelves in my library and I am as indebted to them as I would be to a blood relative. I call them grandparents because all these books were published during Leander’s lifetime. The farming techniques they convey were understood when he was born, were practiced during the early years of his life, and were as successful then as they are now.



I became acquainted with my agricultural grandparents shortly after starting my farming career. I have a passion for learning where ideas originate and how they develop, so I spent long evenings in the dusty agricultural stacks of many libraries. Dogged research into old periodicals and old books slowly gave me access to more and more of these delightful predecessors and their writings. These literary grandparents introduced me to the age-old truths of agriculture. They gave me insight into how successfully and how rationally food was produced before modern agricultural science started to tell us that it couldn't be done that way. These grandparents prepared me both practically and philosophically for the world of farming I was about to enter.

One of the first I got to know was Stephen Alfred Forbes, once head of the Illinois State Lab of Natural History. In 1880, he published a pamphlet entitled *On Some Interactions of Organisms*. Forbes provided me with philosophical assurance that the solution to agricultural problems is not difficult. It simply involves learning how natural systems work so that we will know how to cooperate with natural forces rather than attempting to ignore them or control them with chemicals. Forbes wrote:

*From the consequent human interferences with the established nature of things, numerous disturbances arise ... We must study the methods by which nature reduces these disturbances, and learn how to second her efforts to our own best advantage ... By far the most important general conclusion we have reached is a conviction of the general beneficence of Nature, a profound respect for the natural order, and a belief that the part of wisdom is essentially that of practical conservatism in dealing with the system of things by which we are surrounded.*

An extensive school of what I might call ecological agriculture existed in the 19th century along the lines expressed by Forbes. Its principal interests were, first, understanding the functioning of the biological world, second, getting to the cause of the problems arising from "human interferences with the established nature of things," and, third, learning to modify agricultural practices in order to work within natural laws. Farming was not conceived of as a war but rather as a diplomacy of biological cooperation, a nurturing rather than a roughshod trampling.

Not all my grandparents wrote in English. There is also a French grandfather, Vincent Gressent, on the shelf. He was fully involved in the practical aspects of vegetable production. During the 19th century, some of the most successful market gardening ever known was taking place within the city limits of Paris, powered by composted horse manure from the city stables. When I came across Gressent's book, *Le Potager Moderne*, first published in 1864, it supplemented Stephen Forbes' philosophical reassurances with the hard, practical experience of a fellow grower. As Gressent wrote at that time: "For vegetable growing, chemical fertilizers don't do all that one wants: They stimulate the plant and produce quantity, but to the detriment of quality ... Insect pests only attack weak, sickly plant specimens lacking proper nutrition ... In proof of this, I offer the market gardens of Paris where vegetable growing has reached perfection ... One does not see pest problems in Parisian market gardens wherever copious compost use and rational crop rotations are practiced by the growers."

By the end of the 19th century, the increasing urbanization of Paris had forced the Parisian market gardeners to move to less valuable land outside the city and a classic horticultural model was displaced. Around that same moment in time (1898), an English grandfather, Robert Elliot, wrote *Agricultural Changes*. Elliot had successfully demonstrated on his farm how perpetual soil fertility could be maintained by alternating four years of rotationally grazed grass and legume pastures with a couple of years of annual crops such as grains, beans, and vegetables. The extensive organic matter from the roots of the tilled-under pasture plants provides ideal growing conditions for the annual crops plus soil structure to protect against erosion.

Elliot's biographer wrote that Elliot had (and I find this phrase delightfully English) a "*robust aversion* to purchasing anything he might be able to produce more cheaply for himself." (But then that's a valuable policy for any farmer.) "Elliot therefore set out to devise a system which would be as farm generated as possible in respect to fertility." At our farm we share Elliot's robust aversion. We use the very same system he advocated because it is unbelievably productive, efficient, and thrifty.

Operating in that same spirit is a second American grandfather, Cyril Hopkins, professor of agronomy at the University of Illinois and director of the Illinois Agricultural Experiment Station. In his 1910 book, *Soil Fertility and Permanent Agriculture*, Hopkins emphasized that soil fertility was not something the farmer had to purchase but rather was a by-product of

intelligent farming techniques. It is hard to imagine an extension pamphlet today that would state as Hopkins did, “The real question is, shall the farmer pay ten times as much as he ought to pay for food to enrich his soil? Shall he buy nitrogen at 45 to 50 cents a pound when the air above every acre contains 70 million pounds of free nitrogen?” Hopkins wrote numerous experiment station bulletins like that encouraging farmers to realize that no salesman was going to tell them about green manures, cover crops, crop rotation, legumes, incorporating livestock, and so forth because they were management practices that did not have to be purchased.

The efforts of Cyril Hopkins serve as a metaphor for independent truths up against advertising and a sales blitz that tries to pretend the truths don’t exist. The result of a century of fertilizer salesmanship is that no one today remembers Cyril Hopkins. The soil fertility truths that he championed, although they were understood for generations, have been forgotten so long that they are regarded by agricultural science today as some sort of revolutionary heresy.

A grandmother needs to be mentioned here. Maye Emily Bruce wrote a little volume in the early days of the organic movement in England entitled *From Vegetable Waste To Fertile Soil* (1940) that has long had an honored place on my bookshelf. Maye Bruce wrote some of the movement’s earliest volumes on compost making and conducted experiments and devised herbal stimulants to make composting a faster and more dependable process.

And then there is Selman Waksman, a professor at Rutgers and a leading authority on soil microbiology. His 1931 book, *The Soil and the Microbe*, helped explain why Maye Bruce’s compost was so important to soil fertility. Waksman wrote, “By reason of the fact that microorganisms do not occur in the same abundance in all soils and that they are generally favored by conditions that lead to best plant growth, there exists a close relationship between the biological activity of soils and soil fertility.” The microbes that run the soil and the inhabitants of the human microbiome are gaining in respect every day and are coming to be seen as the new frontier of health.

Another grandmother is Lady Eve Balfour, born in 1898. Lady Eve was a major force behind the development and popularization of organic farming in England. Her 1943 book, *The Living Soil*, was one of the earliest expositions of the organic philosophy and the thinking behind organic farming. She was also influential in expanding the early organic movement in the U.S., thanks to a number of promotional tours she engaged in during



the 1950s. Back in the late 1970s, I organized a number of tours in the other direction to show American farmers the high level of expertise among organic farmers in Europe. Most of the early hippie farmers on those tours were pretty left wing and certainly non-fancy. One night in England, we were all sitting around a pub drinking Guinness. Lady Eve joined our table and right away I could tell the group was impressed that she could knock back the Guinness as fast as we could while simultaneously demonstrating an encyclopedic knowledge of organic farming. After she moved on to another table one of the old leftist hippies turned to me and said, “Damn, if that’s the aristocracy, I think there should be more of them.”

Another important grandfather is Leonard Wickenden, a past president of the American Chemical Society, who became enthusiastically involved in organic growing after he retired from his career as a chemist. He used his scientific background to defend and refine the organic concepts that worked so well for him in his garden. In his 1954 book, *Gardening With Nature*, he explained the most basic rule for success, “Let your aim be to feed your soil—not your plants. The modern method of using the soil as an inert medium for conveying plant food to the crop is grossly unscientific. Feed the soil and it will convey well-balanced food to the crops in a steady stream throughout the growing season. There will be no brief stimulation of the plant with ... nitrate of soda, followed by a famine when the soluble salt is exhausted or washed away, but a process of day by day nourishment which will produce sturdy vigor in the crop.”

The important fact from my experience, after 50 years of practicing what my grandparents have taught me, is that this production system simply works and it works far better than most people can imagine. These concepts have successfully fed mankind for 4,000 years, a fact that the last grandfather on my list, Franklin Hiram King, expressed so eloquently in his 1911 book, *Farmers of Forty Centuries*. King pointed out that the obvious answer to maintaining agricultural production in perpetuity is written on the soil of farms all around the world where the importance of feeding the soil is recognized.

*Eliot Coleman has over 50 years of experience as an organic farmer. He is the author of The New Organic Grower (Chelsea Green, rev. 1995), Four Season Harvest (Chelsea Green, rev. 1999), and The Winter Harvest Handbook (Chelsea Green, 2009). Eliot presently owns and operates Four Season Farm in Harborside, Maine.*

## Hub of the Revolution

BY STEPHEN GRACE

*This article is excerpted with permission from Local Food Shift Magazine.*

*Coloradans are hungry for nutritious, responsibly produced food with a story—preferably a story rooted in the soil of their communities. Farmers like Dan Hobbs near Avondale, Colorado, on the plains east of Pueblo, want to provide that food. But between the appetites of locavores and the ability of farmers like Dan to satisfy them lies a troubling infrastructure gap. Dan aims to fill this gap in the Arkansas River Valley with a “food hub.” His pioneering efforts could point the way toward a future in which the local food movement is transformed from a trend to a mainstay of how we eat.*

As Dan and I drive from his fields to Excelsior Farmers Exchange, the regional food hub Dan recently helped launch, he skids his van to a stop on a gravel road so he can show me a surprising development. We step over an irrigation ditch and walk through the soft furrows of a four-acre field. Parallel lines of plowed earth converge in the distance. Dan explains that some 1,200 pounds of garlic cloves now lie beneath the surface on which we’re standing; the cloves will yield about 6,000 pounds of garlic after the plants are harvested and cured in the summer. It’s only February 3rd, but green sprouts are already poking through the brown earth. As we squat down to take a look, the sharp, clean scent of garlic perfumes the air. “I tried planting a little shallower this year,” Dan tells me. This could explain why the garlic is growing so early. Or it could be triggered by the temperature, which at 11:00 a.m. has already reached the mid 50s. “It’s something I’m keeping an eye on,” says Dan. His eyes are as strikingly blue as the Colorado sky, which on this clear winter’s day forms a cobalt dome over Hobbs Family Farm. Beneath the vast sky lies an unbroken expanse of agricultural lands—an increasingly rare sight in southeastern Colorado as cities sprawl across the plains.

Dan Hobbs and partner Jamie Dunston, proprietors of the 30-acre Hobbs Family Farm, show off highlights from the day’s harvest.

In a neighboring field that shows the green stubble of winter wheat, blackbirds gather in countless numbers, yet they move as a single organism, a black amoeba shifting through the air. A kestrel perches on a fencepost.



Dan Hobbs

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A circling hawk pulls its shadow across Dan's scuffed work boots. He adjusts his baseball cap and explains that in July his fennel and carrot seed patches will flower, attracting pollinators such as black swallowtail butterflies. A carnival of color will pass across the farm, spreading life through the soil.

The deep human connections to this land mirror the ecological connections. Dan points out a nearby flint-knapping site, evidence of some 12,000 years of human presence in this river valley—roughly the span of time since our species first invented agriculture. Hobbs Family Farm is also near a major stop on the Santa Fe Trail, which helped pave the way for westward expansion. This area was home to some of the first commercial farms in the state that fed miners during the great mineral rushes in the Pikes Peak region, which started the transformation of the territory that would become the state of Colorado in 1876 from a wilderness where hunters and gatherers roamed to a managed garden. The historic Bessemer Ditch, which supplies Hobbs Family Farm with irrigation water, is one of the oldest irrigation ditches in the state. Shelterbelts of cottonwoods and mulberries that slow the prairie wind and stabilize the soil were planted during the New Deal era of the 1930s. I feel as though I've stepped into a pastoral idyll connected to an unbroken past. But on this bluebird day, as Dan and I stand amid fields stretching to faraway horizons, there is trouble in what seems an agricultural paradise.

Dan gestures toward the near distance between his farm and the snow-covered Wet Mountains, birthplace of streams. He says, “Some of these fields have been dried up.” They’ve been taken out of production because Pueblo bought water rights to the Bessemer Ditch in anticipation of future metropolitan growth. A portion of this area’s food production has already been traded for urban water supply. The conundrum, of course, is that people in Colorado’s thirsty cities are hungry for locally grown food, but water to grow both cities and food is in short supply.

Dan planted the soil we’re standing on with 11 types of garlic. He shows me a variety of onion that he’s also growing: Colorado Number 6. To me it looks like an onion as ordinary as its name. But Dan explains that Colorado Number 6 is being studied for properties that could help prevent breast cancer. Later, I interview Michael Bartolo, PhD, a scientist at Colorado State University’s Arkansas Valley Research Center. Dr. Bartolo developed a strain of the Pueblo chile known as “Mosco,” one of the region’s defining crops. He confirms that he is currently researching sweet yellow Spanish-type onions, including Colorado Number 6. Preliminary studies indicate that these onions could contain antioxidants or other compounds that inhibit breast cancer. He tells me, “Throughout history, societies have attributed medicinal properties to food. Science has given us the tools to start to understand some of these properties.”

Dr. Bartolo points out that Colorado Number 6 is also the focus of research related to its natural resistance to thrips, a tiny insect that sucks the life from commercial crops and has developed tolerance to pesticides. We tend to think of distant rainforests as troves of biodiversity that could yield substances to improve human civilization, but our own backyards hold rich repositories of biology yet to be probed. This Colorado Number 6 onion variety, bred in Rocky Ford specifically for the region’s growing conditions, safeguards a storehouse of genetic information that could hold keys to pest resistance and cancer prevention. It is preserved by farmers like Dan, who plant it in the local soil.

Dan picks up a cob of Concho corn, rolls it in his hand, and says, “This represents four hundred years of germplasm.” He explains that this “landrace” crop originated in the Conchos River region of northern Mexico and is used for roasting and for flour to make tortillas. A landrace is a traditional variety that has been isolated from other populations of its species over a long span of time as it adapts to the local environment.

Across four centuries, keepers of seeds in the Southwest have worked tirelessly to develop and preserve these porcelain kernels I now hold in my hand.

A simple price-per-pound calculation for produce cannot possibly contain the value of the information conveyed in the stories of Dan Hobbs, and the stories of so many other farmers in the Arkansas Valley, and throughout Colorado. What metric quantifies the worth of four centuries of continuous food stewardship? What bar code reflects the properties of an onion that could potentially prevent breast cancer? How do we put a price tag on a story?

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Dan's story begins in the soil. He chose the Arkansas Valley as the site for his organic farm because of the high mineral content of the silty clay loam. The climate, too, was just what Dan was looking for: The extended growing season of the sun-rich region allows him to raise long-season crops such as butternut squash and poblano peppers, and local growers explain that the tremendous temperature difference between the hot days and cool nights helps crops develop superior flavor. Completing the trifecta of ideal farming factors is irrigation water free of contaminants. Along with senior water rights that ensure Dan and Jamie will be able to irrigate their fields on the drought-prone plains of southeastern Colorado, water of exceptional quality is delivered by the Bessemer Ditch. Pueblo Reservoir upstream traps sediments and salts in its still waters; the flow released from the reservoir above Hobbs Family Farm is of a purity that matches Dan's farming philosophy—no chemicals, no genetically modified seeds.

When I ask Dan if Hobbs Family Farm has struggled with thrips, a bane of many commercial agriculture enterprises, he explains that his onions and garlic do attract this pest. "I used to worry about it and spray organic-approved insecticidal soap, but I stopped years ago. I've found that healthy plants grown in healthy and hydrated soils can resist them and produce great yields. On depleted soils, insects of all kinds are more of an issue."

A fifth-generation Coloradan, Dan is a first-generation farmer. At age 17, he lived with the Guarani Indians of Paraguay, where he got hooked on working with the soil and with people in agricultural communities. After earning a degree in Latin American studies, he began apprenticing on farms in New Mexico in the summer of 1990. "From a very young age I



loved rural development work,” he says. “And I liked the agriculture itself. I’ve been doing those two pieces all these years.”

In 2000, while searching for a place to farm in Colorado, Dan looked over the fields of Avondale that had been cultivated to grow traditional field crops like corn and hay, and he saw the potential to reawaken a regional foodshed. Dan’s creative drive runs through his family. His father, Justice Gregory Hobbs, Jr., is as well-known for penning lines of poetry as he is for his many years of public service on the Colorado Supreme Court. Dan’s creativity infuses his farm, where each crop he grows seems a poem written in soil. In cultivating seeds adapted to the parched steppes of this western landscape, he melds the practical with the lyrical. From the fertile earth he brings forth the Hopi Black Bean and the Cosmic Purple Carrot, the Huerfano Bliss Melon, and the Copper Sun Shallot. Rossa di Milano, a farm favorite, is a ruby-colored heirloom onion from Italy shaped like a bulging heart.

“Plant breeding is incredibly dynamic,” says Dan. “Plants evolve a lot faster than animals. You see them adapting to their environment, and you can shepherd that evolution along through selection and plant breeding. It’s lifelong learning.” It could also be lifesaving learning with climatologists pointing toward deepening drought in the Southwest. As we face climate uncertainty in the coming decades, knowledge about the drought-tolerance

of plant varieties adapted to dry environments becomes an asset of ever-increasing value in our portfolio of resilience.

Varied flavors, too, arise from Dan's creative plant breeding. Hobbs Family Farm is best known for its carrot seeds and the many varieties of garlic it grows, but the cornucopia of crops harvested from its fields could make the mouth of any locavore water. If the juice of a plump Kilarney Red garlic clove that stains your fingers with its lingering scent doesn't make your taste buds twitch, crush a Peacevine cherry tomato between your teeth and taste the juice: Rivulets tart and sweet twine together as they slide across your tongue. This is food—not the “food” pyramided in the fluorescent glare of a supermarket after being freed from the steel prison of a long-haul truck.

Dan's farming philosophy is informed by the teachings of the founder of biodynamics, Rudolf Steiner. An agricultural visionary who insisted on treating the health of the soil, the food it grows, and the people who eat it as one interconnected system, Steiner issued a clarion call at the beginning of the 20th century to approach farming holistically—a call that echoes through the writings of contemporary farming luminaries like Wendell Berry and Michael Pollan. The increasing popularity of approaching food, farmers, eaters, soil, and water as a single subject is an idea with a long lineage.

Some of Dan's soil wisdom he gathered by watching people in other cultures who have lived for millennia close to nature's cycles and consider them sacred. Some of his knowledge was earned through the school of hard knocks, in which lessons are learned by trial and error and painstaking observation—as in the case with the garlic he planted a bit shallower this year and is now pushing through the soil during a warm day in early February. He is watching these nascent sprigs closely. He will adjust his cultivation methods based on the feedback provided by the land and the plants he grows.

Dan's constant monitoring of soil conditions is coupled to his obsession with water—necessary if his farm is to prosper in a region where the skies are stingy with rain. “I think of a foodshed and a watershed as synonymous,” he says.

The concept of “organic” has become standardized and stable in our culture; the concept of a “foodshed” is still emerging. Hobbs Family Farm lies in the Arkansas River watershed, the largest and driest of the state's watersheds. (A watershed is a basin bounded by ridges that drain snowmelt

and rain toward a river system.) The Arkansas River, born in blizzards on the Collegiate Peaks above Leadville, sluices across the southeastern plains, forming a lifeline in this dry land. Equating a foodshed with a watershed in the droughty West—where precipitation is so sparse that irrigated agriculture is the only viable way to produce volumes of food large enough to feed burgeoning cities—may not be the final word in the evolving definition of a foodshed, but it can serve as a sensible start.

Once again, when we burrow back into history we find that modern ideas about food and farming have very deep roots indeed. John Wesley Powell, best known for leading the first descent of the Colorado River in 1869, was speaking the language of the locavore long before bioregionalism became sexy. One of the most accomplished scientists of his day, Powell created maps of the West based not on the straight-line state boundaries we recognize today but around the sinuous shapes of watersheds. In spending time close to the arid land, Powell recognized that the rivers that wind their way through the deserts and plains of the American West are paramount. He concluded that systems of self-governance should arise within the watersheds of western lands so that citizens could manage rivers and agriculture, forests and grasslands, as a unified whole—a system as indivisible as a human body. But Powell's vision of watershed democracy and local land and river stewardship was ultimately trampled beneath the westward rush of developers stoked on moneyed dreams of Manifest Destiny. It's a short leap from the standardized township grids that settled the West to the placeless supermarkets of today.

Dan Hobbs and other farmers like him who are committed to the sustainable use of local water resources, to building the health of the soil, and to feeding their neighbors nutritious food, are creating a new system that echoes the old vision of John Wesley Powell: a foodshed mapped onto a watershed mapped onto a self-reliant community.

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As Dan and I leave his 30 cultivated acres and head down the road to visit the Excelsior Farmers Exchange food hub, I'm struck by what's at stake. Southeastern Colorado is one of the world's most important seed-production regions due to a rare combination of factors: fertile, mineral-rich soils; high-quality regulated irrigation water (as opposed to rain that can damage seed and cause plant diseases); an arid climate that dries the





seed down fast and provides optimal long-term storage; and a seed-saving tradition stretching back to the 1870s that involves locally adapted and improved varieties. The soil of Hobbs Family Farm is classified as Prime Irrigated Farmland of National Importance, and the Palmer Land Trust honored Dan with its 2012 Innovation in Conservation Award.

Despite the significance of working farms in this region, all of the connections that Dan has pointed out to me are tenuous: links to the history of the region, to the open space that teems with wildlife, to the farming knowledge that comes from living close to the land, to the abundance of food produced from local soil. Once severed, these connections are difficult to restore. Thirsty, land-gobbling subdivisions are spreading outward from Pueblo just a short drive down the road from Excelsior Farmers Exchange. Is the key to keeping these irrigated agricultural lands in production a food hub? How did this food-hub idea come about?

Dan explains that after he had figured out how to cultivate crops at Hobbs Family Farm, he and other Arkansas Valley farmers had to figure

out selling. Many farmers are like writers in that they are better at the creative act of growing something than they are at figuring out how to market it. Selling is time-consuming, and it can be soul-wearying for a creative person who wants to commit acts of poetry in the soil. But the fruits of the farm must find their way to market so that bills can be paid.

Owners of small organic farms—ranging from ten to 50 acres and scattered throughout varying microclimates of the Arkansas Valley—worked with nature to produce an abundance of grains, nutrient-dense veggies, stone fruits like peaches, and a smorgasbord of livestock products. While delivering their food to buyers, they kept passing each other on the roads and bumping into each other in parking lots. They realized that by coordinating their production they could become more efficient farmers and get more of their products to people in the surrounding community. And thus was born in the late 1990s Tres Rios, an agricultural cooperative headquartered in Denver and with members on the Arkansas, Colorado, and Rio Grande Rivers.

Dan points out that a corporation exists to benefit its shareholders; a cooperative, in contrast, is created to benefit its members. “Each member has one vote,” explains Dan. “It’s a democratic form of business.” He credits the time he spent at a Quaker college learning the principle of consensus—a group decision-making process that aims for the consent of all participants—as helping place him on the path of working cooperatively with other farmers.

The initial marketing and distribution cooperative didn’t get off the ground: Tres Rios disbanded in 2003 due to management challenges and a lack of capital. Also, there wasn’t as much interest in local food as there is now. Dan says, “All the struggles and failures are an important part of building a new food system. When that first effort didn’t work, we figured out how to retool and do things better.”

Next came Arkansas Valley Organic Growers (AVOG). This farmer-owned marketing and distribution cooperative, founded in 2006, took five years to grow from a good idea into a fully functioning cooperative. What did Dan and others do differently with AVOG to help it succeed where Tres Rios had failed? Dan explains, “AVOG grew in a more measured and careful manner, keeping overhead low. There was also better board-level involvement and oversight of management. Similar scales, philosophies, practices, and geographical proximity of founders helped a lot, too.”

Now ten AVOG-member farms around Colorado Springs and Pueblo, along with ten or so additional farms that AVOG works with, provide fresh produce, herbs, eggs, and meat to one of Colorado's major population centers. Residents of Colorado's southern Front Range eat good food from locally owned and operated farms. No chemical fertilizers or pesticides, no GMOs, no drugs—and no storyless distance for the food to travel. It isn't delivered in the cargo holds of airplanes flying in from Chile or in tractor-trailers roaring across interstates from the agribusiness operations of California. It is grown by farmers like Dan—farmers who live within the Arkansas Valley and spend their days working in the soil with melted snow from the Rockies and sorting through seeds bred across centuries to thrive in the local environment.

Arkansas Valley Organic Growers caught on with locavores, who signed up for AVOG's Community Supported Agriculture (CSA) program and its Farm Fresh Buying Club—a program that allows groups to purchase food at wholesale pricing. To further broaden its reach, AVOG provided food to local restaurants. The Arkansas Valley Organic Growers' "Farmer Approved" label attracted diners seeking exceptional taste and responsibly grown food in restaurants in Colorado Springs and Pueblo. AVOG farmers supplemented the seasonal produce they provided with winter-storage vegetables such as onions and squash, meat and eggs available year round, and greens grown year round in high tunnels (a high tunnel, or hoophouse, is a low-cost, unheated version of a standard greenhouse). Colorado College became the largest purchaser of AVOG's food, underscoring the role of institutional buyers as drivers in the shift toward a robust local food system.

AVOG developed a following. Stories were swapped about the sweetness of the melons that ripened in the soil of these small farms. Pepper fanatics compared chiles grown by AVOG farmers to the finest they had tasted anywhere. From chefs seeking the freshest ingredients to gourmands chasing superior flavor, from citizens looking for ways to support the economic health of their communities to environmentalists searching for sustainable lifestyle choices, there was widespread agreement that the food produced by AVOG was superior to typical supermarket fare.

But for all AVOG's progress, its market share of food sold in the Colorado Springs-Pueblo region was still a thin sliver of the overall economic pie. In the Arkansas Valley and throughout Colorado, moving local food to the next level poses a major challenge. How does that sliver

of market share become a fat slice of the pie? How does a ripple in the food system lead to a significant shift?

From when Dan began growing in the Arkansas Valley in 2000, he has been moving steadily toward increasing the scale of his sales. He stepped up from his single farm to the AVOG cooperative. AVOG stepped up from a standard CSA model to a buying club and restaurant distribution. But to make that good food available to a much larger segment of the public has required another step up. To get the local food revolution rolling in southeastern Colorado, Dan had to help place a food hub at its center.

*The full text of this article is available at [LocalFoodShift.pub](http://LocalFoodShift.pub).*

*Stephen Grace is the author of [Dam Nation: How Water Shaped the West and Will Determine Its Future](#).*



# State of the Soil

BY WOODY TASCH

*This article was adapted from remarks by Slow Money founder Woody Tasch at Food + Enterprise, February 28, 2015, in Brooklyn, NY.*

Thanks to Derek and Slow Money NYC and the NRDC and the other Food + Enterprise partners for inviting me. I started thinking about these remarks last month, a few days after the President's State of the Union address. I couldn't help but think: The State of Our Union may be strong, measured in terms of job growth, the stock market, shale oil, and aircraft carriers, but the State of Civilization, the State of Public Discourse, the State of our Soil is weak.

I realize that in today's fast world—fast food, fast money, fast information—a few weeks is a long time, a month an eternity, and who can even describe the immense duration of a fiscal quarter or a season—in today's fast world President Obama's State of the Union is long gone. But in the spirit of all things slow, I'm going to go back all the way to the 1960s and 1970s, to a few Kennedys and things of a Presidential nature said back then, then to the roots of the modern social investment movement, with a brief aside on Greek mythology and the Second Law of Thermodynamics.

Along the way, I'll give you an overview of the last five years of Slow Money activities—the \$40 million that's gone to 397 small food enterprises via dozens of Slow Money local networks and investment clubs.

I guess you could say I offer these remarks as a kind of Earthworm's Meta-Economic Non-Reply to the State of the Union. You know, there was a Republican reply. There should be an Earthworm's Meta-Economic Non-Reply.

I say "Non-Reply" because it is more of a revolt than a reply. A revolt against the idea that we cannot have a nuanced, authentic public conversation about what's broken and how to begin fixing things from the ground up. A revolt against the forgetting and the distractions that doom us to repeat history and steal the future.

"Meta-economic" in the sense that E.F. Schumacher, who wrote *Small Is Beautiful* in 1973 and to whom I'll refer again later, was the first 20th century industrial economist to realize that economics itself was the problem, that the quantification of economics was preventing us from

seeing what was happening to our households, our neighborhoods, our bioregions and the planet as a whole.

Disclaimer: I am not a Democrat. I am not a Republican. I am not a political animal. I'm just an earthworm. An earthworm in the soil of a restorative economy. An earthworm who greatly prefers to speak off the cuff, but who today has prepared these slightly more formal remarks, prompted by those of our President last month.

So, here goes my Earthworm's Meta-Economic Non-Reply to the State of the Union.

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The State of the Soil is weak.

We are strong in terms of tillage, but weak in terms of fertility. We are strong measured in chemical and mechanical power—millions and millions of tons of NPK, petrochemicals, herbicides and pesticides and the sophisticated technologies to apply them—but we are weak in terms of soil erosion, weak in terms of our connection to the land, weak in terms of sense of place. Our industrial systems are taking carbon from the soil instead of building carbon in the soil. We have less and less organic matter, and fewer and fewer people who know what it feels, smells, or tastes like.

This is a crisis in its own right, but it is also a spoke in the wheel of a larger crisis. Some might opine that food and agriculture are not merely a spoke, but are actually the hub, because if we don't get agriculture right, then we can't get industrialization and consumerism and globalization and urbanization right, and so, we can't ever really get at the great systemic crisis of climate change and the increasing dysfunction of our institutions.

This is what *New York Times* writer Mark Bittman was getting at earlier this month when he wrote: "The world of food and agriculture symbolizes most of what's gone wrong in the United States." He went on to pose the following question:

*Is contemporary American agriculture a system for nourishing people and providing a livelihood for farmers? Or is it one for denuding the nation's topsoil while poisoning land, water, workers and consumers and enriching corporations? Our collective actions would indicate that our principles favor the latter; that has to change.*

***“If we don’t get agriculture right,  
then we can’t get industrialization and consumerism  
and globalization and urbanization right.”***

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Surely, things in the food system have to change. But what also has to change is the way we frame things in overly simplistic, Either/Or terms. Nourishers vs. denuders. Disempowered consumers vs. greedy corporations. We must resist these labels and the overly simplistic world of Us vs. Them. If we do not resist, then our conversations will be little more than tribal squabbling. Or worse. They will lead to full blown righteous struggles between good and evil.

I am not a nourisher and you are not a denuder. I am not a disempowered consumer and you are not a greedy corporation. We are all investors, that is, we are all directly or indirectly *invested in* the systems we hope to change, and our position vis-à-vis these systems and one another is way more nuanced than Us vs. Them labels. Our intentions and beliefs and hopes and imagination are way more nuanced, way more beautifully ambiguous and full of meaning, than that. Our interdependence is way more nuanced and beautiful than that.

For instance, it is a certainty that some in this room have investments in Monsanto or Exxon or McDonald’s, whether you know it or not, through one of your index funds or mutual funds or retirement accounts. That doesn’t make you greedy or evil. It doesn’t make you a denuder. But it does raise the stakes in terms of the need to avoid the blame game.

Us vs. Them is to imagination what Roundup is to weeds. And Twinkies are to nutrition.

Happily, later in that same *New York Times* piece, Mark Bittman wrote:

*Let’s try to make sense of where the world is now instead of relying on outdated doctrines like ‘capitalism’ and ‘socialism’ created by people who had no idea what the 21st century would look like.*

I couldn’t agree more. This is our urgent task. To get beyond the false political and economic choices of bygone eras. We can’t find our way through the problems of the 21st century, if we are wearing 19th and 20th century goggles.

Here's how E.F. Schumacher put it:

*We have become confused as to what our convictions are. The great ideas of the nineteenth century may fill our minds in one way or another, but our hearts do not believe in them all the same. Mind and heart are at war with one another, not, as is commonly asserted, reason and faith. Our reason has become beclouded by an extraordinary, blind and unreasonable faith in a set of fantastic and life-destroying ideas inherited from the nineteenth century. It is the foremost task of our reason to recover a truer faith than that.*

Now, you may not have thought you were signing up for an exploration of the relationship between reason and faith, or of what comes after capitalism and socialism, when you put on your scarf this morning. But that's precisely what is needed if we are going to preserve and restore the soil and it is precisely what we are doing every time we make an investment in a small, local or organic food enterprise.

The word "small" is key here, because we are not undertaking some great project of system redesign at the level of macro-economic theory or ideology or national policy. We are undertaking it directly and with the utmost pragmatism, one small food enterprise at a time, one CSA at a time, one seed company at a time, one rooftop urban farm at a time, one less eutrophied aquifer at a time, one less Big Mac at a time, one soil-building investment at a time.

While Schumacher was writing *Small Is Beautiful* back in the '70s, the poet Gary Snyder, Wendell Berry's great friend, was putting his own spin on the need to get beyond outmoded economic ideas of earlier days:

*We had a sudden feeling, he wrote, that we had finally broken through to a new freedom of expression ... and gone beyond the tedious and point-less arguments of Bolshevik versus capitalist that were (and still are) draining the imaginative life out of so many intellectuals in the world.*

Snyder continued:

*Creatures who have traveled with us through the ages are now apparently doomed, as their habitat—and the old, old habitat of*



*humans—falls before the slow-motion explosion of expanding world economies. If the lad or lass is among us who knows where the secret heart of this Growth Monster is hidden, let them please tell us where to shoot the arrow that will slow it down.*

I've spent 40 years shooting arrows at the heart of this Growth Monster. Which, you may not be surprised to hear, has led me, but with rather startling slowness, I might add, to ask: Wait a minute—does the Growth Monster even *have* a heart? What is it I've been shooting at?

*Does the Growth Monster even have a heart?* There's a question fit for a Greek mythologist. Or a Hungarian economist.

One of the 20th century's most important, but relatively unknown economists, was a big fan of the ancient Greeks. Nicholas Georgescu-Roegen argued that the Second Law of Thermodynamics trumps economics. That is, the rules of economics must operate within the laws of physics and nature. He also felt that modern-day economists had little over ancient Greek philosophers: "For better or worse," Georgescu-Roegen stated, "we have not yet discovered one single problem of understanding that the Greek philosophers did not formulate."

Gary Snyder's evocation of the Growth Monster may not rise to the level of Greek mythology, but I have a feeling it would have made Georgescu-Roegen smile:

*If the lad or lass is among us who knows where the secret heart of this Growth Monster is hidden, let them please tell us where to shoot the arrow that will slow it down.*

I hope we can all agree that the deep humanism of these words goes beyond politics and economics.

The problem we face is bigger than politics, bigger than economics, bigger than greedy investment bankers vs. over-reaching government bureaucrats. We face, no, we are all *a part of*, the Growth Monster—the imponderables of a global machine that seems destined to become more and more complex, more and more dependent upon larger and larger political and financial institutions, more and more in the grips of faster and faster technological change. We do not know how to slow down. Most econophiles and technophiles do not even *want* to slow down, fearing that

the only alternative to faster and faster must be recession or depression and a terrifying downward spiral towards something worse than purgatory: a lower standard of living.

In the recent book, *Don't Even Think About It: Why Our Brains Are Wired To Ignore Climate Change*, by George Marshall, Nobel laureate economist Daniel Kahneman is interviewed, and he says: "I'm extremely skeptical that we can cope with climate change ... No amount of psychological awareness will overcome people's reluctance to lower their standard of living."

There's a semester's worth, perhaps even a career's worth, of study and conversation to be had around the meaning of the words *standard of living*.

I wouldn't be here today, I don't think any of us would be here today, if we didn't think Daniel Kahneman was wrong. There is not a binary trade-off between standard of living and psychological awareness. It is possible to assert the primacy of the qualitative against the reductionism of the quantitative.

If you spend more of your household budget on food, and you get food of higher quality, food that is fresher, more biodiverse, more local, less tainted with chemicals, and the provision of which has done less damage to soil, water and air, is your standard of living higher or lower? Italians spend on average 14.8% of their household budget on food, compared with an average of 6.6% in the U.S. Most economists would interpret this in only one way: Italy's standard of living is lower than that in the U.S., because after buying food Italians have less money to spend on other consumer goods. A meta-economic earthworm would interpret this in an entirely different way: Italians recognize the centrality of food to culture and so have not rushed to trade in culture for commodities.

This is some of what E.F. Schumacher was after in *Small Is Beautiful*. And unless you believe that increased consumption is synonymous with improved well being, that there is no such thing as too much consumption, or mindless consumption, or destructive consumption, then you will find Schumacher's work thought provoking, maybe even inspiring. So, if you haven't read *Small Is Beautiful*, do it. Some of the particulars are dated, but the underlying thinking is timeless.

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For an earthworm, I seem to have gotten pretty far afield from the President's State of the Union address. So, let's return.

You will remember that in his address, the President took a wildly positive tack, saying that the worst is behind us, that it's time to turn a new page on the economy and terrorism.

It was hard to listen to such a simplistic narrative. But there it was. In with optimism, out with pessimism. Turn the page. So, we have to ask: Is our public discourse really so shallow that we have to reduce everything to oversimplified binary choices?

And then we have to answer: Yep, our public discourse is this shallow. The State of our Public Discourse is weak.

Certainly, we can cut the President and all the surrounding punditry and media noisemakers some slack. The ether in which heads of state and multinational CEOs live and through which trillions of dollars zoom is destined to turn everything into a sound bite.

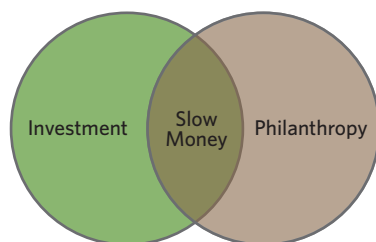
Here on the ground, it falls to us to improve the State of our Public Discourse. Or, put in less stuffy terms, we need to talk. We really, really need to talk. We need to do deals, sure, but on the road to and from the deals we need to talk. We need to make time for the wonderful, rich conversation that is emerging in and around and through us. This is a kind of soil. A kind of fertility. It is like organic matter. It is the stuff of healthy culture, a culture working to heal itself, a culture working to reassert the primacy of relationships over transactions.

Around the time of the President's State of the Union, some of this rich conversation made its way into my inbox. It was a message from Melissa Berman, the president of Rockefeller Philanthropic Advisors, and she was quoting F. Scott Fitzgerald:

**"The test of a first-rate intelligence," said Fitzgerald, "is the ability to hold two opposed ideas in mind at the same time and still retain the ability to function. One should, for example, be able to see things as hopeless and yet be determined to make them otherwise."**

I found this message very encouraging, but not, perhaps, for the reasons Melissa intended. The two opposed ideas to which my thoughts immediately went were not pessimism and optimism, but investing and philanthropy.

The 20th century taught us that these were opposed ideas, presenting us



Economy ↔ Ecology  
 Industrial ↔ Agrarian  
 Linear ↔ Cyclical  
 Markets ↔ Places  
 Globalization ↔ Localization

## Restorative Economics

with a binary situation: first, you maximize profits on the investment side, then you take some of the proceeds and use it for philanthropy. Never the twain shall meet.

But in the 21st century, facing threats of all sorts—deep, structural threats, from climate change to wealth inequality to political gridlock to terrorism—we are learning the urgent lesson that old notions of investing and philanthropy are inadequate.

This graphic illustrates part of the great work of the 21st century: reintegrating investing and philanthropy, freeing our capital from the confines of outdated notions of fiduciary responsibility and unleashing major new sources of capital to support a great cultural shift.

The entire social investing field, that started, in its modern incarnation, with the Sullivan Principles and the movement to oppose apartheid by divesting from companies doing business in South Africa, and that has now evolved down through socially responsible investing and mission-related investing and program-related investing and triple-bottom-line investing to something that is being mainstreamed as *impact investing*—this entire emergence of social investing over the past few decades can be thought of as the move to hold the opposed ideas of philanthropy and investing in mind and still be able to function.

*“We need to make time for the wonderful, rich conversation that is emerging in and around and through us. This is a kind of soil.”*

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It’s interesting that over roughly the same time period, the venture capital industry burst onto the scene. John Doerr, one of that industry’s recognized leaders, famously has referred to venture capital as “the greatest legal accumulation of wealth in history.” This is a good epithet for the whole 20th century, which produced the world’s first 1,500 or so billionaires and grew the global economy from around \$1 trillion in 1900 to \$77 trillion today, along with hundreds of trillions of dollars of somewhat alchemical financial instruments going by the relatively innocuous name “derivatives.”

*The greatest legal accumulation of wealth in history.* To do this, we focused on growth and innovation and throughput and consumption and extraction and manufacture and accumulation. Not so much on the whos of accumulation or the hows of extraction and manufacture. But on growth and consumption and extraction. To grow from \$1 trillion to \$77 trillion in little more than a century, you must live in a binary world—create as much wealth as you can now, worry about philanthropy later.

Let’s just say this made sense in 1900, perhaps even 1950, perhaps even, say, 1968. But once we saw the first picture of the earth rising over the moon, shouldn’t all that have begun to change?



Shouldn't the finiteness of the planet immediately have changed the way we thought about consumption and waste and limits?

In its own way, that's where social investing came in. It was the beginning of the process of coming to grips with limits. But it was a very halting, constrained beginning. We recognized global limits, but we wouldn't quite recognize personal limits. We recognized global limits, but we wouldn't quite recognize limits on wealth creation. And we certainly wouldn't do anything that might limit the profitability of any of our investments.

So began a case of global cognitive dissonance so deep, so convoluted that we still haven't gotten over it.

It wasn't as if no one was trying. It just so happens that in the same fateful year, 1968, that Apollo 8 brought us this image, Robert F. Kennedy had run for President. I bring it up today, because while Bobby Kennedy never got to give a State of the Union address, he said something quite remarkable on the campaign trail that warrants inclusion in today's State of the Soil address. It was pretty much the opposite of President Obama's attempt to simply turn the page on economic malaise. Bobby Kennedy stared the Growth Monster in the face and this is what he saw:

*We will find neither national purpose nor personal satisfaction in a mere continuation of economic progress, in an endless amassing of worldly goods. We cannot measure national spirit by the Dow Jones Average, nor national achievement by the Gross National Product. For the Gross National Product includes air pollution, and ambulances to clear our highways from carnage. It counts special locks for our doors and jails for the people who break them. The Gross National Product includes the destruction of the redwoods and the death of Lake Superior. It grows with the production of napalm and missiles and nuclear warheads ... It includes ... the broadcasting of television programs which glorify violence to sell goods to our children.*

*And if the Gross National Product includes all this, there is much that it does not comprehend. It does not allow for the health of our families, the quality of their education, or the joy of their play. It is indifferent to the decency of our factories and the safety of our streets alike. It does not include the beauty of our poetry, or the strength of our marriages, the intelligence of our public debate or the integrity of our public officials ...*

*The Gross National Product measures neither our wit nor our courage, neither our wisdom nor our learning, neither our compassion nor our devotion to our country. It measures everything, in short, except that which makes life worthwhile, and it can tell us everything about America—except why we are proud to be Americans.*

If we are going to have a nuanced, authentic public conversation about what is broken and how to fix it, then we need more words like these. We need to return to these words again and again. We need to stare the Growth Monster in the face.

Or, you could say, we need to stare the pig in the face.



Those of you who know me know that I always use this slide. If I were only going to use one slide, this would be it. Staring the pig in the face. The capitalist pig. The free-range pig. This is a Niman Ranch hog, on Paul Willis' farm in Thornton, IA. I can't look up close at this pig and not think: *How is my money affecting other living things? Where can I invest in a way that will support a food system that is humane, appropriate scale and healthy?* I was fortunate enough to have a small investment in Niman Ranch a number of years ago and I hope you all will enjoy looking for similarly interesting opportunities as you get to know the food enterprises here with us today.

Staring the pig in the face. Staring the Growth Monster in the face. Staring the DJIA in the face.

Taking on the DJIA while campaigning for President was one thing. Taking on the military-industrial complex while actually in office, quite another. So, as we consider vision of the Presidential kind, let's also

consider the words of Bobby's brother, JFK. In June 1963, in a speech at American University, JFK dared to say, at the height of the Cold War, that the enemy wasn't the Soviet Union; the enemy was nuclear weapons and nuclear proliferation. It's hard to convey the heretical quality of the message at that point in time. The military-industrial complex, which President Eisenhower had so eloquently warned about as he left office a few years earlier, was charging ahead on our nuclear arsenal and preparing for a major conflagration in Vietnam. The Soviets were establishing missile bases in Cuba. And here's what JFK said:

*Too many of us think peace is impossible. Too many think it is unreal. But that is a dangerous, defeatist belief. It leads to the conclusion that war is inevitable—that mankind is doomed—that we are gripped by forces we cannot control.*

*We need not accept that view. Our problems are man-made. Therefore, they can be solved by man.*

To my mind, there is a straight line from JFK's comments on nuclear proliferation, on our being "gripped by forces that we cannot control"—a straight line to Warren Buffett's comments, 50 years later, about "financial weapons of mass destruction." That's what Buffett calls derivatives. Financial weapons of mass destruction.

Both Kennedy and Buffett are referring to a perilous imbalance of means and ends. Both are talking about the downside of technological innovation and power. Both are talking about the triumph of the machine and the disempowerment of individuals. Both are talking about the promise of greater security turned inside out. Both are talking about our need to exercise restraint, to regain control over powerful systems that have taken on a life of their own. And, of course, both are talking about the violence, direct and indirect, of the modern economy.

Let's take a look at a financial weapon of mass destruction. Here's one of the formulas that is the basis for derivatives:

$$C_{\rho}(u, v) = \Phi_{\rho} \left( \Phi^{-1}(u), \Phi^{-1}(v) \right)$$

Such formulas were developed to reduce risk. But is it any surprise that even as they did so for individual transactions, the abstractness and



complexity resulting from the widespread application of such formulas actually increased risks to the system as a whole?

There is something daunting, to be sure, in the complexity of such financial razzmatazz. It's hard for us to imagine that we can actually do anything about the DJIA or the Growth Monster or financial weapons of mass destruction. But that free-range Niman Ranch pig? We can do something about that pig. We can stare the pig in the face and we can do something about it.

Which is just what I and thousands of fellow Slow Money folks have been doing for the past five years or so. We've been staring this pig in the face, feeling the love, the *biophilia*, the hope, the affection, and wanting to invest accordingly.

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Here's what we've been up to over our first five years. The below map shows Slow Money local networks and investment clubs and a bit of summary data. This has all happened since mid-2010. *Inquiries into the Nature of Slow Money* came out in December 2008, but the real action started in June 2010, after our second national gathering. Some you were there, in Shelburne Farms, VT. As you can see, in 2015 we've got 24 local networks, 13 investment clubs, and counting. More than 30,000 people have signed the Slow Money Principles. This has all happened without any formal, centralized intermediation. It's all individuals and self-organized local networks.

We are now beginning to have enough data to start addressing the question of metrics. *State of the Sector Report 2014* is our beginning. Remember, this has been, in the early going, all about getting the flow of capital started. It will take a few more years to begin seeing how things are working out on the back end of the investments.

I, for one, am very careful not to rush into metrics. We need to maintain a healthy balance between the transactional piece and the relationship building piece. As I said, we are not providing formal, centralized and monetized intermediary services, so by definition our metrics are not going to be the same as fund metrics.

Our *State of the Sector Report* is presented in two sections: the statistical analysis of a survey, followed by stories from entrepreneurs and investors, in their own words.

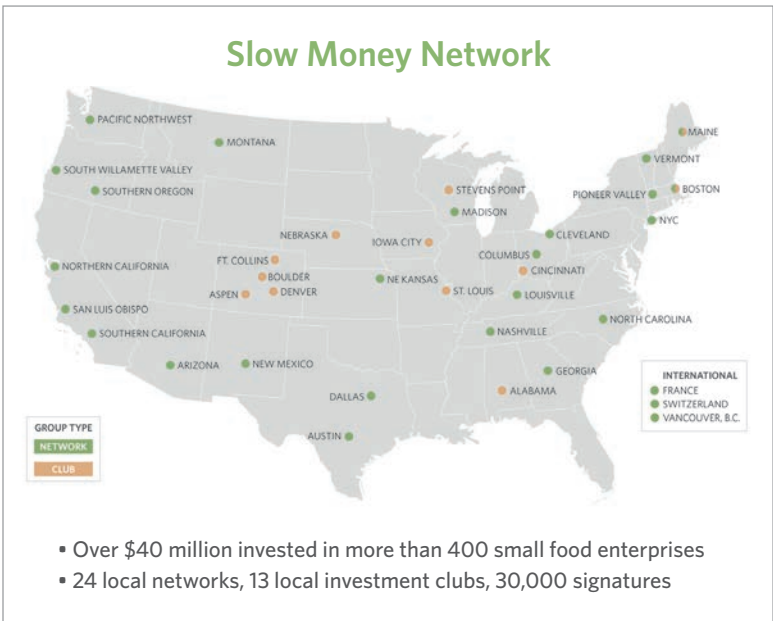
The survey was conducted by California Environmental Associates, with

data provided by 42 angel investors, family offices, foundations and investment funds. We analyzed their investments, along with those in our Slow Money investment database, over the period 2009 to 2013. The report covers \$293 million of investments in 968 deals.

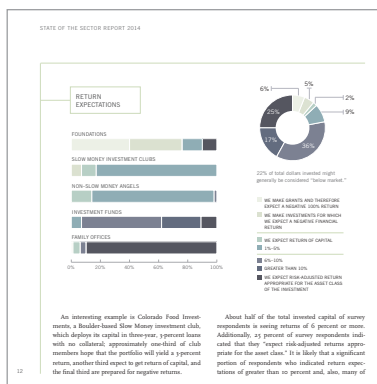
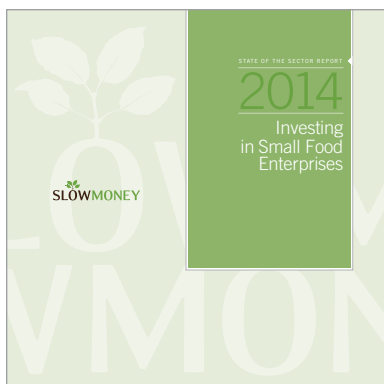
The entrepreneurs' and investors' stories are rich. I particularly commend to your attention the contribution of Claude Arpels, who is on the board of Slow Money NYC. He refers to the economy as "squirrel proofed." Really. You have to check it out.

I want to say a few things on the subject of metrics, since, of course, questions about how much money we are going to make, how we understand the boundary zone between investing and philanthropy, the quantification of risk and the quantification of so-called "non-financial"—that is, social and environmental—impacts, they all loom large.

I believe the entire triple-bottom-line and impact investing process is flawed to the extent that it is confined to achieving so-called competitive market returns. Having been around this process for 30 years, I know that what I'm saying here raises hackles. But these are fiduciary hackles, which is the whole point. If you are a fiduciary, if you are utilizing fiduciary



*\*Data as of February 2015*



guidelines to judge your investments, then you are by definition going to have trouble doing certain things. Like supporting the next million small organic farmers, aka a revolution for the food system and for local economies. This is simply not going to be an easy way to make money. But just as simply this is something of tremendous cultural and biological and entrepreneurial value.

So, what do we do? Keep using the old metrics, adding social and environmental factors on top of them, and hoping for a different outcome? Or, do we imagine new ways to value relationships, *whether or not they can produce competitive returns or, even, be easily quantified?*

Imagination is vital. With imagination comes affection and with affection comes neighborliness and with neighborliness comes mutuality and with mutuality comes shared risk. I'm using affection here, in the Wendell Berry sense of the term, as in his Jefferson Lecture, "It All Turns On Affection."

Think about it. If your neighbor is a farmer and the barn burns down, and you are in a position to lend them money to rebuild the barn, what interest rate would you charge? How would you assess the risk? What would success look like? I've asked this question to many, many folks, and they all say, to a person, "I'd just be happy to get my money back." This is about

***"With imagination comes affection and with affection comes neighborliness and with neighborliness comes mutuality and with mutuality comes shared risk."***

innate value, about relationship, about directly experienced mutuality. It is about community, not about financial markets.

But as soon as you have a portfolio of “neighbors’ barns,” that is, it’s not just you and it’s not just your actual neighbor, as soon as you have a portfolio of investments and a handful of other investors, even if you are all from the same town or same county, then fiduciary arithmetic rushes in.

It’s critical to remember that a fiduciary is someone who is responsible for managing *someone else’s money*. So, it is more than a little interesting that we let the fiduciary mentality gain such complete dominance over all of our investment decisions, even when we are managing our own money or when, as a small group of quasi-neighbors, we are aiming to use a small pool of capital in a more neighborly way.

This is why I announced at the Slow Money national gathering two years ago that I wanted to be a **food-ish-iary**.

food ▪ ish ▪ iary

But that’s another story ...

On a more left brain note, consider the following formula:

$$mc = \frac{1}{p+s}$$

Metrics and certification, *mc*, that’s certification as in third-party certification, are inversely related to proximity, *p*, and scale, *s*. That is, when you are in direct relationship with a small, comprehensible enterprise, your need for metrics and third-party certification is lessened. Now, I’m not sure if this is a real formula. But I am sure it is a real idea. Not all real ideas require numbers and not all important metrics require formulas. Some of the most important metrics are wildly simple and have nothing whatsoever to do with any one transaction. For instance, how many people here think that the number of earthworms per acre of farmland might be an important metric?

In the major study, *Toward Sustainable Agricultural Systems in the 21st Century*, sponsored by the Gates and Kellogg Foundations, there is an appendix that presents a case study of Thompson Family Farm in Boone County, IA. This case study contains some interesting earthworm metrics.

**Q.** What is the average earthworm population per acre on conventionally farmed land in Boone County? 19,000

**Q.** What is the average earthworm population per acre on third-generation organic Thompson Family Farm? 1.3 million

These metrics are extremely important, aren't they? It's wonderful that someone took the time to measure the earthworm populations and that these measurements were included in that major study. But where would such metrics ever appear in relation to a particular investment? What is the market value of those 1.3 million earthworms?

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All of this finally comes down to getting some of our money into the hands of farmers and food entrepreneurs. One of Wes Jackson's neighbors referred to farmers as "heroic grunts," and I think the term should also apply to investors who have the gumption to share risk in the name of healthy food and healthy soil.

Is the \$40 million of investment in 397 deals a lot or a little? It's not much at all by Wall Street or venture capital standards. But it's a significant start if looked at through the lens of the soil.

Paul Hawken has said: "We humans have yet to create anything that is as complex and well-designed as the interactions of microorganisms in a cubic foot of rich soil." He could have said a gram of topsoil, because in a single gram of fertile topsoil live billions of bacteria and actinomycetes, hundreds of thousands of fungi and algae, and tens of thousands of protozoa, nematodes and other microfauna. That's in a single gram of fertile soil.

A little humility is in order, isn't it, in the presence of such teeming and still relatively mysterious life? Leonardo Da Vinci said 500 years ago, "We know more about the movement of the celestial bodies than we do about the soil beneath our feet." This is still true today.

So, when the UN designates 2015 the International Year of Soils, which it has, we've got to know that this is about a lot more than food and agriculture. It's about the trajectory we set ourselves on, as a species, as a project in civilization, when we shifted away from hunting and gathering and settled down around plots of wheat. A trajectory that has brought us breakfast bowls full of GMOs and portfolios full of derivatives and a

worldview that seems content to think that fiduciary responsibility and intelligent investing happen out there, in the air, in cyberspace, in moon shots, in distant markets, in portfolios, in computer formulas that are too clever for their own good. What kind of Year of the Soil can this worldview really enjoy?

What needs to be done is clear. To play our role in the Year of the Soil, investors have to roll up our sleeves and put our hands into the soil—the actual soil and the soil of a restorative economy. We need to plant the seeds of the nurture capital industry. We need to bring some of our money back down to earth. We need to take a little of our money out of *there*—those gross abstractions called global capital markets and computer algorithms—and put it to work *here*—near where we live, in things that we understand, starting with food.

Before I conclude, I want to call out two groups who are in a position to lead the charge on all of this.

The first is the baby boomers. We boomers came of age during the first go round of modern environmentalism, when that picture of the earth rising over the moon first came into our homes, when the Kennedys gave us Hope and Change before it was called Hope and Change. Now we are the beneficiaries of what financial advisors often refer to as the Great Transfer of Wealth—trillions of dollars of intergenerational wealth, all tied one way or another to the greatest legal accumulation of wealth in history and the greatest legal liberation of carbon from the earth's crust in history.

The second group is the millennials, who are growing up in a networked world and for whom the phrase “the American dream” seems anachronistic and 1950s-ish. Climate change is as intuitively obvious to them as Uber.

Many beautiful partnerships between these and other stakeholders are in the offing. The communities we are building and the culture we are nurturing are as important as the deals we are doing and the markets we are making.

As we proceed, RFK and JFK and E.F. Schumacher and Gary Snyder are here with us. I haven't said much about Wendell Berry today, but surely he is here, too. So are the earthworms in the fields of Thompson Family Farm in Boone County, IA. The Growth Monster is here. Adam Smith's Invisible Hand is here, too, wearing the veils of free markets and fiduciary responsibility as if they were royal capes. All of them are here, adding their spirits to these festivities. All are welcome.

And there's Farmworks in Nova Scotia, Lucky Penny Farm in OH, the Sustainable Iowa Land Trust, Bauman Cedar Valley Farms in KS, Greenling in Austin, TX, and Sustainable Settings in CO, Zoe Bradbury farming two acres with horsepower near the Oregon coast and Sole Food Farms in Vancouver—these and so many more are with us here today in spirit. As are those of many enterprises that did not succeed. Parish Hall and MooMilk and Source Local and Grant Family Farms. Not every venture succeeds, but the vitality of all these efforts finds its way back into the soil for the benefit of all.

So, let's have a wonderful day or so of deal doing and shared learning and let's celebrate that which we are undertaking together—the joyful, sometimes daunting, often risky, but always rewarding process of exploring the relationships between food, money, health, soil, culture.

May our discourse be robust, our transactions fruitful and the soil of our imaginations fertile.

*Woody Tasch is the author of Inquiries into the Nature of Slow Money: Investing as if Food, Farms, and Fertility Mattered (Chelsea Green, 2008)*





Garlic and Tomato 1 (M. Vangelisti)



Garlic and Tomato 2 (M. Vangelisti)



Garlic and Tomato 3 (M. Vangelisti)



Garlic and Tomato 4 (M. Vangelisti)

Marco Vangelisti, co-leader of Slow Money Northern California, came to the U.S. as a Fulbright scholar in mathematics and economics. He worked for six years managing investment equity portfolios primarily on behalf of large foundations and endowments for Grantham, Mayo, Van Otterloo & Co. LLC. In April 2009, Marco left the finance industry and has since been instrumental in the development of Slow Money Northern California. Marco is currently developing Essential Knowledge for Transition, a curriculum for engaged citizens to understand the money and banking system. For more information, go to [ek4t.com](http://ek4t.com).



# NOTES TOWARDS A SLOW MONEY ELEVATOR POEM

by Woody Tasch

(For Wendell Berry, on the Occasion  
of Slow Money's Fifth National Gathering)

## I

*Oil fuels dollars.  
Money fuels wars.  
Bombs make NPK.  
Earthworms scatter.  
Finance becomes electronic chatter.  
Twinkies are not OK.*

## II

*There's this thing called soil  
that really isn't a thing, at all,  
but, rather, a mysterious vessel  
in which agents of the gods' goodwill  
can gather and disperse.  
Symbiosis comes here to undress.  
Imagination comes here to kiss Decay.  
Reason and efficiency, shallow cost,  
relentless calculation, fiduciary intervention—  
all are muted, here, by humus and humility,  
impulse of root, percolation of intention,  
memory of mycorrhizae, mystery of time,  
the sweet, gentle insistence of a lunar day.*

## III

*Put a pitchfork in that elevator pitch!  
There's a poem in them thar loam!*

## IV

*Wendell Berry settles all accounts.  
Let us love him, now, in no small amounts.*



Entrepreneurs who have received Slow Money funding (clockwise from upper left): Re:Vision International (Denver, CO), Snowville Creamery (Pomeroy, OH), Coyote Creek Organic Feed Mill (Elgin, TX), Main Grains (Skowhegan, ME), Brooklyn Grange (Brooklyn, NY)



Slow Money National Gatherings (clockwise from upper left): Slow Money 2009 (Santa Fe, NM), Slow Money 2010 (Shelburne Farms, VT), Wes Jackson at Slow Money 2011 (San Francisco, CA), Re:Vision executive director Eric Kornacki receiving Entrepreneur of the Year Award at Slow Money 2013 (Boulder, CO), Woody Tasch and Wendell Berry at Slow Money 2014 (Louisville, KY)

# SLOW MONEY PRINCIPLES

1

We must bring money back down to earth.

2

There is such a thing as money that is too fast, companies that are too big, finance that is too complex. Therefore, we must slow our money down—not all of it, of course, but enough to matter.

3

The 20th century was the era of Buy Low/Sell High and Wealth Now/Philanthropy Later—what one venture capitalist called “the largest legal accumulation of wealth in history.” The 21st century will be the era of nurture capital, built around principles of carrying capacity, care of the commons, sense of place, diversity, and nonviolence.

4

We must learn to invest as if food, farms, and fertility mattered.  
We must connect investors to the places where they live,  
creating healthy relationships and new sources of capital  
for small food enterprises.

5

Let us celebrate the new generation of entrepreneurs, consumers and investors who are showing the way from Making A Killing to Making a Living.

6

Paul Newman said, “I just happen to think that in life we need to be a little like the farmer who puts back into the soil what he takes out.”

Recognizing the wisdom of these words,  
let us begin rebuilding our economy from the ground up, asking:

What would the world be like if we invested  
50% of our assets within 50 miles of where we live?

What if there were a new generation of companies  
that gave away 50% of their profits?

What if there were 50% more organic matter  
in our soil 50 years from now?

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These principles have been signed by tens of thousands of individuals as part of a new public conversation and an accompanying process of local investing. To learn more, go to [slowmoney.org](http://slowmoney.org).



P.O. Box 2231, Boulder, CO 80306  
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