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why go beyond organic?
Dear Friends,

In this issue of the RSF Quarterly, we focus on transformative practices in agriculture—including holistic range management, farming as a sacred activity, and rebuilding community through food.

In the past 50 years, people have become increasingly concerned with the quality of food we consume and the practices by which it is produced. What was once seen as fringe activity has gained strength as more consumers make decisions based on values and awareness about health and environmental concerns. In the beginning, consumers were slow to adopt organic because it was too expensive. Just 15 years ago, organic food sales totaled $3 billion—today, organic food sales are estimated at over $30 billion (and growing) and products can be found in every major retailer.

We are now supporting the next phase of the sustainable food movement—what we sometimes refer to as the “beyond organic” phase. More people are now connecting the dots between food, health, land, economics, and community—a whole-systems approach.

RSF is providing different kinds of capital to those at the forefront of this movement. I urge you to explore the range of pioneering organizations we have supported in the last year, through just one of our philanthropic funds—the RSF Local Initiatives Fund. We have provided grants, loan guarantees, or convertible notes to the social enterprises listed below.

We hope you get a sense of what “beyond organic” is looking like to us, and why we’re excited to be part of its emergence. Please contact us if you’d like to learn more about the RSF Local Initiatives Fund.

All the best,

Don Shaffer,
President & CEO

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**LOCAL INITIATIVES FUND PROJECTS TO DATE**

Agriculture and Land-Based Training Association (ALBA) | [www.albafarmers.org](http://www.albafarmers.org)
Biodynamic Farming and Gardening Association | [www.biodynamics.com](http://www.biodynamics.com)
Bright Farms | [www.brightfarms.com](http://www.brightfarms.com)
Common Market Philadelphia | [www.commonmarketphila.org](http://www.commonmarketphila.org)
DC Central Kitchen | [www.dccentralkitchen.org](http://www.dccentralkitchen.org)
Family Farmed | [www.familyfarmed.org](http://www.familyfarmed.org)
Farm-to-Table Co-Packers | [www.farm2tablecopackers.com](http://www.farm2tablecopackers.com)
Fibershed | [www.fibershed.com](http://www.fibershed.com)
Greenhorns | [www.thegreenhorns.net](http://www.thegreenhorns.net)
Intervale Center | [www.intervale.org](http://www.intervale.org)
Kitchen Table Advisors | [www.kitchentableadvisors.org](http://www.kitchentableadvisors.org)
Local Economies Project | [www.localeconomies-hv.org](http://www.localeconomies-hv.org)
National Young Farmers Coalition | [www.youngfarmers.org](http://www.youngfarmers.org)
North Kohala Community Resource Center | [www.northkohala.org](http://www.northkohala.org)
People’s Community Market | [www.peoplescommunitymarket.com](http://www.peoplescommunitymarket.com)
Regional Access | [www.regionalaccess.net](http://www.regionalaccess.net)
Rockland Farm Alliance | [www.rocklandfarm.org](http://www.rocklandfarm.org)
Savory Institute | [www.savoryinstitute.com](http://www.savoryinstitute.com)
UC Berkeley Center for Diversified Farming Systems | [dfs.berkeley.edu](http://dfs.berkeley.edu)
Viva Farms | [www.vivafarms.org](http://www.vivafarms.org)
Agriculture and the Sacred
By Robert Karp, Executive Director, Biodynamic Farming and Gardening Association

"To live, we must daily break the body and spill the blood of Creation. When we do this knowingly, lovingly, skillfully, reverently, it is a sacrament. When we do it ignorantly, greedily, clumsily, destructively, it is a desecration." — Wendell Berry

In ancient times agriculture was intimately connected with the sacred. We find evidence of this in a host of texts and in many traditions which survive to this day. We know, for example, that for the indigenous people on the American continent, the corn plant is believed to have come into being through a long process of cooperation between human beings and the gods, and to grow corn is still a sacred activity for many Native American people today.

If we try to discern the ultimate source of these traditions, we discover that people in ancient cultures experienced the natural world much differently than we do. Where today we might see, for example, simply a corn plant (tall stem, tassels, ears, husks, silks, kernels, etc.), they saw the body of a spiritual being whom they felt to be the ultimate source of the unique traits and gifts of that particular plant species. These spiritual beings endowed all creatures and all creation with a special kind of dignity.

It was thus not enough for ancient cultures or indigenous people to simply plant a corn seed at the right time in the right soil, and then cultivate the plant during the growing season until harvest. Growing corn also required prayers and rituals that would invite the spiritual being of corn to participate in the growth of the plants and so bless the people with her radiant wisdom and health giving powers. Maintaining this sacred connection with the gods through agriculture was at the heart of the life of ancient cultures and echoes of this religious feeling toward nature survived in indigenous and rural farming communities for centuries.

In his lectures, Rudolf Steiner indicated that the gradual loss of this way of experiencing the world among the majority of the world’s population was an inevitable and necessary part of the evolution of human consciousness. This loss paved the way for a much clearer way of seeing the physical world, and eventually led to the discovery of the physical laws of matter and to modern technology. Through this process of evolution, we have also come to experience ourselves more and more as unique individuals independent of nature, culture, race and one another. With this independence comes freedom: the freedom to choose our own vocations, community and ideals—as well as the feeling that we are responsible for our own actions. This sense of individual freedom and responsibility is the gift, the silver lining, you could say, of materialism.

The healthy age of materialism has long since passed, however, so that today we bear witness primarily to the shadow side of materialism rather than its gift. We have become so enamored of our seeming power over nature that we are undermining the very fabric of life on earth. This is perhaps nowhere more evident than in agriculture. Practices like confined animal feeding operations (CAFO’s) and genetically engineered plants and animals (GMO’s) betray a consciousness completely devoid of any remaining sense of the spiritual dignity of organisms, creatures and species.

There is a silver lining, however, to this era of post-materialistic devolution of values. In the depths of the crisis brought on by these destructive trends, a new, individualized, eco-spiritual consciousness of the world is emerging. From thousands of humble, everyday people—farmers, eaters, scientists, educators, artists and business people—a grassroots awakening to the ecological and

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Economics for the Seventh Generation
by Winona LaDuke

“Seems like people don’t want to stick around another thousand years.” — Mike Wiggins, Tribal Chairman of the Bad River Band of Anishinaabe, on the proposed GTAC taconite mine, which will impact the watershed of the Bad River.

Let’s say that is not true. Let’s say that we are people who want to live in a way that restores our relationship with Mother Earth. We want to live in small, medium, and large communities, with a low fossil fuel impact on the world.

Ji misawaabandaaming, or how we envision our future, is a worldview of positive thinking. It’s an Anishinaabe worldview, coming from a place and a cultural way of life that has been here, on the same land, for 10,000 years. To transform modern society into one based on survival, not conquest, we need to make some changes. We need to actualize an economic and social transformation. Restoring an economics, which makes sense for upcoming generations, needs to be a priority. In our community, we think of this as economics for the seventh generation.

In our teachings we have some clear direction: our intention is Minobimaatisiwin, a spiritual, mental, physical and emotional happiness—sort of an Anishinaabe version of Bhutan’s Gross National Happiness Index. Within our cultural teachings lie these Indigenous Economic Principles: intergenerational thinking and equity (thinking for the seventh generation); inter- and intra-species equity (respect); and valuing those spiritual and intangible facets of the natural world and cultural practice (not all values and things can be monetized).

After I graduated from college in 1981, I returned to my own community, the White Earth Indian Reservation in Minnesota (the reservation on which the federal government recognizes I am a Native person), and began a journey of working towards building this restorative economics.

Our work at the White Earth Land Recovery Project and Native Harvest begins from a cultural premise. We need to restore our relationship to place (we now hold 1400 acres of land as a land trust) and we need to determine what an economy looks like which is Indigenous. Our focus has been in the traditional economy, that which involves extensive subsistence agriculture and falls outside the definition of market economies. Food is at the center of this system.

Food Sovereignty

“I don’t think we can call ourselves sovereign if we can’t feed ourselves.” This is what Paul “Sugarbear” Smith told me a few years ago when I went to visit him in Oneida Territory, Wisconsin. I think he’s got something here and it’s worth looking into.

What is food sovereignty? The ability to feed your people. Let’s say that. This could be through your own growing and harvesting, or this could be through trade, if you’re happy with it and it’s working out for you. This is where we need to be, but certainly aren’t there now.

Let’s review how we got to our current situation. When the Europeans came to America, they had no land, and brought very little food with them. The incidence of scurvy, diphtheria, and a whole litany of diseases, many of them linked to malnutrition,
was overwhelming. We fed them, and taught them how to eat, here on this land, omaa akiing. For the record, Native people gave the world some big food. Corn and potatoes, for instance, make up a huge percentage of world food calories and nutrition, and represent immense value per acre. Not bad. We were good at this stuff. As an example, we Anishinaabe were the northern most corn growers in the world, pushing corn about a hundred miles north of Winnipeg, and our agro-biodiversity abounded. Overall, Indigenous peoples developed some 8000 varieties of corn, not to mention everything from pumpkins to chocolate. All pretty cool stuff.

Fast-forward post-colonialism and we are now a terribly dependent people, or peoples. By and large, we have ceased to farm our own foods and lands, all part of a logical consequence of theft, genocide, allotment, boarding schools, land alienation, and the lack of access to basic capital for even small-scale farming. We are net importers of food, and it’s costly. And even some of our largest tribal food enterprises like the Navajo Agricultural Products, Inc. and Gila River, produce food, not for Navajos, but for markets elsewhere. Thousands of acres of our tribal lands are leased out to non-Indian producers who ship across the world. And, in the meantime, we’re not looking good.

We did a study on the White Earth Reservation in 2008 where we interviewed about 200 households, and asked people where they shopped, when they did. We found that our community spent around eight million dollars a year on food purchases for households and tribal programs. Seven million of those dollars went off reservation to companies like Walmart, Food Service of America, and Sysco. On top of that, the money we spent on reservation was largely sucked up by convenience stores, where we purchased really cool stuff like pop, chips, microwavable pizzas, and baked goods.

So, what are the consequences of this? First, we end up with a hole in our economy, the size of seven million dollars. This is a drain, well, actually a hemorrhage to be honest. The figure represents about a quarter of a tribal economy. Add to that the fact that we do the same thing with energy, representing another quarter of our economy exported, and furthermore a health services budget, which is, frankly, fed on dietary related illnesses (one-third of the Indian Health Service client population has diabetes). The hemorrhage grows. This situation means that we don’t have the local value multiplier effect, and we have little to no control over capital or the circulation of money in our community. The circumstances become worse as prices rise for the food we have to bring in. After all, that food has to move on average 1500 miles from farmer to table, and requires a whole bunch of oil from fertilizer additives to packaging. This results in more and more food insecurity, energy insecurity, and health insecurity. And, more climate change—maybe a quarter of the climate change is associated with unsustainable agriculture.

So, what is the solution?

This is the happy part. It turns out that our ancestors and my father had it right. My father used to say to me, “Winona, I don’t want to hear your philosophy, if you can’t grow corn.” Now that’s an interesting thing to say to your child. Well, I thought about it, and thought about it some more. And then, I decided to grow corn. Along the way, I became an economist who wanted to look at the systems that support sovereignty and self-determination, namely our economic system.

This is how it is playing out. Take my house for example. We’re an extended family of ten or so people at various times. This is a two deer, one pig, 100 hundred fish, ten duck household. This is complemented by 300 pounds of wild rice and corn, 200 pounds of potatoes, berries, maple syrup, squash, and a lot of canned goods. We grow, harvest, and trade this. I don’t grow potatoes because I know someone who grows them way better than I do. And, I don’t mess with chickens because the Amish are good at that.

WINONA LADUKE

is an internationally acclaimed author, orator and activist. A graduate of Harvard and Antioch Universities with advanced degrees in rural economic development, LaDuke has devoted her life to protecting the lands and life ways of Native communities. In 1994, Time magazine named her one of America’s fifty most promising leaders under forty years of age, and in 1997 she was named Ms. Magazine Woman of the Year. She is Founding Director of the White Earth Land Recovery Project and Executive Director of Honor the Earth.
In 1993, Caryl Levine and Ken Lee decided they wanted to start a business together. They took a market research trip to China and while visiting rural farmers, they found their calling. Caryl and Ken were introduced to the culture of rice and some of the issues connected to it: an astounding loss of rice biodiversity, the plight of farmers at the base of the pyramid, and unsustainable agriculture practices. “The most unique rice widely available in US supermarkets at that time was Basmati. It was shocking to learn that thousands of varieties were going extinct because there was no market,” says Levine. “When we started to think about the larger economic and environmental impacts, we knew we had a great opportunity in front of us.”

These economic and environmental impacts are of no small measure. Nearly half the world’s population relies on rice as its dietary staple and about 75% of that supply is generated by small-scale, irrigated production—simply put, small farmers. This type of production consumes up to one-third of the Earth’s annual freshwater supply, depletes soils, and after cattle, is the second leading cause of man-made methane production (a major contributor to climate change).

Two years after that trip, Levine and Lee co-founded Lotus Foods, Inc. with a mission to support sustainable global agriculture by promoting production of traditional heirloom rice varieties, some of which may otherwise have become extinct, while enabling small family rice farmers to earn an honorable living. Lotus Foods works with in-country partners to source rice from Bhutan, Cambodia, China, India, Indonesia, Thailand, Italy, and Madagascar, and distributes it in natural food and specialty grocery stores in the US and Canada.

When Lotus Foods was founded, distributing fair-trade heirloom rice varieties from farmers in developing countries to North American consumers was new ground. “We were totally winging it,” says Levine. “We had to take a crash-course on rice, farming, and the whole industry.”

In addition, Levine and Lee faced a challenging supply chain. On one side, they were working with farmers to improve quality assurance (for US markets), and helping to educate them on the long-term impacts of sustainable practices versus the short-term economic rewards touted by conventional distributors. On the other side—distributors, retailers, and consumers—needed education on the value of diverse rice varieties and fair-trade pricing. But their passion for their mission was always there, and, slowly but surely, the company gained traction.

In 2005, Lotus Foods developed a game-changing partnership. They were contacted by staff at Cornell University who were involved in promoting research and awareness about a sustainable rice-growing methodology called System of Rice Intensification (SRI). The SRI methodology uses significantly less water than the conventional flooding methods used to grow rice, and results in higher yields and the need for fewer inputs.
(seed, synthetic fertilizer and pesticide, and often labor). Furthermore, whereas the water-logged soil of conventional rice paddies is ideal for methane production, SRI fields with drier soils and healthier plants are not.

SRI improves global food security, empowers poor households, conserves water resources, and promotes human and environmental health. Today, SRI is enabling some of the world’s most marginalized farmers to double their yields (or more) using 50% less water, 80-90% less seed, and no agrochemicals. Over 2.5 million farmers in 50 countries have recorded successful adoption.

Despite this success, SRI has experienced some resistance. “True of any great development, it always meets initial skepticism,” says Lee. “This approach is the exact opposite of input-driven agribusiness. It’s very farmer-friendly and you don’t have to buy any inputs like seeds or fertilizers.”

As for resistance from the scientific community, “Farmers know best how to make this work on their land. It’s a methodology not a technology,” says Lee. “Researchers are challenging this because they can’t replicate it in their labs. As long as farmers are seeing it work in their fields, I don’t really care what the dissenters are saying. And consumers and the food industry have been very supportive of our efforts to create market incentives for SRI farmers.”

Lotus Foods now helps their current farmers transition to SRI growing methods, and partners with existing communities of SRI farmers to bring their rice to market. Sustainability and economic empowerment remain at the heart of their efforts. “New farmers must produce enough for themselves and their community before exporting even becomes a possibility,” says Lee.

As farmers flourish, so does Lotus Foods. In recent years, the company made significant investment in rebranding their line, building their management team, and solidifying their commitment to SRI. Despite some losses during the recession, the company is now poised for growth and has been profitable for the past two quarters.

Lotus Foods recently developed a new partnership with Whole Foods which is now distributing a new value-added product line. The company is continuing to develop new products and distributes via other major retailers like Safeway and Costco. In January 2013, RSF financed a line of credit to support this growth.

Working with RSF was a natural fit for Lotus Foods. “We’ve always valued working with a mission-aligned financial partner,” says Lee. “A financing relationship is one of the most important for any business owner.”

As the company grows, Levine and Lee are still focused on what inspired them in the first place: social and environmental impact. When it comes to the company’s success, they aren’t concerned with growth simply for the sake of profit. “What we really want is to expand the market for our product, so that more farmers have an opportunity to grow this way,” says Lee. “Global warming, water resources, food sovereignty, poverty alleviation—major issues worldwide—these can all be positively affected just by changing how rice is grown.”

FINANCING FOOD & AGRICULTURE
RSF is dedicated to the development of healthy food systems as a foundation for more vibrant and resilient regional economies. With a commitment to biodynamic and high integrity organic farming, we also see agriculture as critical to restoring the earth and environment, and supporting human health.

RSF is committed to supporting those initiatives contributing to a sustainable, equitable and holistic food system. Specifically we’re looking for borrowers who are:

1. Rebuilding regional food system infrastructure, like Regional Access | www.regionalaccess.net
2. Providing alternative markets for food waste; training underemployed populations; and reducing hunger like DC Central Kitchen | www.dccentralkitchen.org
3. Transitioning conventional agriculture practices to higher integrity practices like Uncle Matt’s Organic | www.unclematts.com

All borrowers must have at least 3 years operating history and loan needs range from $200,000 to $3 million.

We need your help! Spread the word and contact us if you know of any great organizations in need of financing. Contact Kate Danaher at 415.561.6181 or kate.danaher@rsfsocialfinance.org
Regenerative Practice
Interview with Catherine Covington, Senior Program Associate, Philanthropic Services

Holistic Management is a systems thinking approach to managing land resources that builds biodiversity, improves production, generates financial strength, and improves the quality of life for those who use it. Here, Armonia investment professional Caroline MacGill and rancher Jen Livsey, discuss this approach and their mutual partnership with RSF borrower Estancia Beef to transform the grass fed beef industry.

Catherine: Caroline, what priorities do you and Armonia consider when investing in ranching and land preservation?

Caroline: Let’s rephrase the question: what does Armonia consider when investing in land regeneration? Preservation implies maintaining the status quo when it is a system that we would like to change.

Within regeneration, we have two priorities: respect for the natural world and “holistic” management practices.

We have had the privilege of learning about regeneration through working with the Savory Institute and Grasslands, LLC. They have taught us about a ranching practice that is holistic (literally called holistic management) which to us really means ranching in harmony with nature. Because grass evolved in sync with large grazing herbivores, you can take the outside-the-box perspective that cattle can be seen as regenerators of their ecosystems. Carefully observing grass cycles, managing for ecosystem health and ranching in the context of social, environmental, and financial constraints are the traits of the 21st century land manager that we seek to develop.

Above all, what this management approach really shows is that intention matters if you’re trying to restore or regenerate nature.

Catherine: Given these principles, can you talk about why Armonia chose to invest in Estancia?

Caroline: We look at land and its capacity to be regenerated as what its unrealized potential is. We’re not driven by exit strategies. We look instead at the value creation, the natural surplus, and the social surplus, with more of a dividends-oriented approach to “harvesting” this gain in the long run. In short, we look at what value of land can be developed over time.

If we take a step back and look at our investment in Estancia, a lot of those principles are at the core of our partnership. We see a team of people that has unrealized potential. We look at an industry that has unrealized potential. And, we look at things like these principles of respect for nature and sound management as two key approaches to achieving our objectives. We see the team, the people, and the mission of Estancia as being aligned with our desire to take this approach to ranching and being open to incorporating holistic management into their production protocols.

Caroline and Jen on Jen’s family ranch, the Flying Diamond Ranch, near Kit Carson, CO.

Catherine: Jen, as a rancher, what would you say to an investment professional about investing in ranching and ranch land?

Jen: The vast majority of ranchers are very, very conservative. This includes from a financial standpoint. That’s because they have to be. Their window for productive
investment is not months and years. It's generations. By necessity, the decisions that most ranchers make are very cautious. We're not intent on explosive growth. Rather, the intent is on sustaining an asset and maintaining it for future generations.

So, I think that's a lesson for investors. In a world chasing high returns, ranching is much more of a steady sustainable return. There is no other way. You cannot mine the resource, or you will not have it in 50 years. Ultimately, value over time is a big principle for us.

"The vast majority of ranchers, are very, very conservative... they have to be. Their window for productive investment is not months and years. It’s generations."

Catherine: When you think about the future of your field, what excites you the most?

Jen: I'm excited because ranching is a growth industry. There are going to be nine to ten billion mouths to feed in 2050 or so. Therefore, there's going to be a lot of room for innovation. There's going to be a lot of room for questioning the status quo. There's space for smart people to come forth with good ideas.

As more pressure is put on natural resources, more attention will be paid to their regeneration. And more is going to be demanded of producers.

Catherine: Between investor and rancher, do you feel you have a common purpose?

Caroline: We ask ourselves, how can we make Jen's life and lives like her family's possible? And what was it that kept them rooted in the ground and at the same time, continuing to be pioneers and innovate?

Jen: It's that combination that I see in all successful families—valuing tradition and being fiscally conservative, but also challenging and being open to ideas from within or from without the industry. That, I think, is the key.

Caroline: What comes from our shared experience is a lesson that we can apply to our thinking about all forms of business. There are regenerative features of it. There's a kind of resource sufficiency, but also investing in learning, changing, and progressing. It's that really amazing balance between being prudent with your resources, which is in effect, respecting natural systems principles, and simultaneously thinking about ways to grow, learn, adapt, change, and evolve. This is a mindset that all businesses should consider: how to be conservative when it comes to deploying capital and spending resources, but how to be innovative when it comes to learning and using ideas to achieve longevity.

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CAROLINE MACGILL
is a managing director at Armonia, where she is focused on developing engagement strategies in the team's food and beef systems. Prior to Armonia, she co-founded a for-profit social venture, Farm to Cup and worked on projects for impact investors including New Island Capital Management, Impact Assets, and EKO Asset Management. She received a BA from Princeton and an MBA from Stanford Business School.

JEN LIVSEY
works as a ranch risk management specialist within the Farm Credit system and does ranch/land management consulting. She also co-founded PastureScout.com, an online marketplace for pasture leases. Jen was the first woman to receive her Masters from the King Ranch Institute for Ranch Management. Jen grew up on her family’s ranch in Colorado and attended Princeton University, where she majored in Anthropology.
spiritual realities that sustain the earth and her creatures is taking place. This new consciousness, I would suggest, is the ultimate source of inspiration for the growth of the ecology movement of the 1960’s, the health food movement of the 1970’s, the environmental movement of the 1980’s, the organic farming movement of the 1990’s, the local food movement of the 2000’s, and a host of other allied movements too numerous to mention. It is also, of course, the inspiration for the biodynamic movement which seeks to demonstrate the many practical ways this new consciousness can bring renewal to the earth and to the practice of agriculture.

Yes, the sense of the sacred is reemerging in the food and agriculture movement of today, as the quote from Wendell Berry at the beginning of this article so beautifully expresses. But, this new consciousness of the sacred is not the same as that possessed by ancient cultures. This awakening is not embedded in hierarchical, collective religious practices or cultural norms, but rather has emerged as a natural extension of healthy scientific inquiry and in the context of a cosmopolitan confluence of diverse philosophical perspectives and cultural traditions. This new sense of the sacred is thus rooted in and sustained by a contemporary sense of individuality and freedom of thought. In this otherwise deeply troubling moment in human history, this awakening, this growing movement toward a reunion of agriculture and the sacred, can give us hope.

Now, this means a lot of hard work. But, it also means I can keep my waistline somewhere I might be able to find it, on a good day. It turns out, these foods are roughly twice as high in protein, and two to three times more nutritious than anything you can get at the store. This has, in short, immense positive health implications.

Now apply that to 9,000 tribal members hanging around White Earth, and you’ve got a bustling local economy, if you work it right. Our plan is to grow as much traditional food as our ancestors grew. Over the past ten years, we’ve worked to restore Anishinaabe agriculture growing 800 year old varieties of squash, northern corn varieties (hominy or flint corn, with twice the protein and half the calories of market corn) and doing so, this year and next year, increasingly with horse power. Yes, horse power.

We sell these goods locally to create a multiplier, and then sell surplus to people who value Native food. This is what we are working on at Native Harvest.

What I know is that we are good at localized agriculture. While the paradigm of a “war on poverty” is creating a labor force focused on training and retraining my community for jobs which do not exist, or linking us to a dysfunctional economic system, we are intent upon shoring up that which we know can last for another thousand years: a self-reliant economic system that does not require massive inputs of fossil fuels, because, we all know that fossil fuels belong in the ground, not in our food system, and not in our air.

So, what is the value of this?

Well start with this, it’s intangible. Health is awesome. It’s also awesome to grow a squash that’s been around for 800 years or so, or some corn that might last in a time of climate change, because it’s not a mono crop, it’s short of stalk, and drought and frost resistant. Not bad, those ancestors. Then, think about how we are restoring some things which are sacred, and hopefully keeping them from getting genetically altered (like our battles to protect wild rice and corn, our mother grain). We’re building some sense of economic stability for the future, while we get some control over our health, food, and energy systems—these are all interrelated.

Food sovereignty is an affirmation of who we are as Indigenous peoples and one of the most sure-footed ways to restore our relationship with the world around us.

In this millennium, our people are told that we have a choice between two paths—one that is well worn but scorched, or one that is green. Our community is choosing the green path. That is the work of restoring Indigenous ways of living and land-based economics for the seventh generation. What will your community choose?
Jen: Ranching is very much dictated by nature. You’re going to be successful in the long term if you work with it, not against it. It’s recognizing the absolute boundaries within which your business is functioning, and figuring out essentially how to most cleverly work within those boundaries to make a profit.

Caroline: And the natural world is our greatest resource, our greatest arena for being able to understand how systems work. This is what is so intriguing about ranching. It’s a very tangible example of regeneration at work and a way to partner with capital, land, and people.

And this way of thinking is absolutely applicable to all the other Armonia investing strategies. How can we approach each and every question in a holistic context? And how can we think about regenerative supply chains? I must add, by the way, that we are very indebted to John Fullerton and the Capital Institute for helping us draw the connection from regenerative ranching to regenerative economics.

Catherine: What are your long-term shared goals?

Caroline: By and large, the beef industry has lost many of its points of sanity at the expense of efficiency at all costs. This industrial system makes a lot of sense on paper, but has a lot of unintended consequences. Practices like feedlots and the use of antibiotics have moved cattle away from grass, compromised the health of the animals and people, and led to an industry laden with environmental and social liabilities.

But there is a balance that we can strike between efficiency and resiliency! And that’s where we see the power of combining a market-facing entity like Estancia, that understands sales and operational efficiencies, with the thinking and methodology that goes into holistic land management. Together we ask, how can we apply that knowledge and create a new approach for the beef industry?

Jen: What’s interesting about working with Estancia is that they’re asking the important question. In a system that has produced the world’s largest, healthiest beef supply, but has done so through efficiency and feedlots, is there another way that’s possible, at scale? Can my family profitably sell grass fed beef?

Is there an avenue where many people can raise a product that is being demanded in a way that consumers want it to be?

This is a big question. What Armonia has done with this, which is particularly interesting, is to build a kind of the push/pull model. By working with grasslands projects, they are pushing grasslands management and excellence in that arena. And in their work with Estancia to create an avenue for grass fed beef in the United States at scale is a pull effort. They’re trying to create a pull from the consumer in the marketplace that connects back to excellent grasslands management. It doesn’t get any more big-systems thinking than that.

Catherine: Can you tell me more about how you all are working on this together?

Caroline: Jen and I are working on defining a US-based grass fed beef strategy with the Estancia management team as part of an over-arching goal of not only developing US supply but doing it in a thoughtful way that reflects our greatest values. Bill Reed, Estancia’s CEO, has been incredibly generous with his time, energy, and insight, and has brought in an incredible chairman, John Simon, formerly the CEO of Swift Beef and a long-time Cargill man, to define the operational push towards American grass fed beef in a way that is ecologically and socially “regenerative.”

"...the natural world is our greatest resource, our greatest arena for being able to understand how systems work."

With their experience, network, connections and commercial drive, we (the Estancia team, Armonia, Jen, other experts) are jointly committing resources to thinking outside the box to solve the production, distribution, and marketing issues to bring grass fed (regenerative) beef to market. It’s been a wonderful ride and fun for us as an investment firm to have a seat at the table and be engaged at an operational level with this outstanding team.
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www.sriconference.com

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WHAT’S AHEAD
The next RSF Quarterly theme is Education & the Arts and it will be published in January 2014. We like hearing from you! Send any comments on this issue or ideas for the next to jillian.mccoy@rsfsocialfinance.org.

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