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PROPHET OF MODEST PROFIT

WOODY TASCH ON HOW NOT TO GET RICH QUICK

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Woody Tasch has a knack for uniting opposites. He's a poet who's spent his life thinking about money, a venture capitalist who's passionate about the earth, and a serious investor who argues for low rates of return. When he talks about his book *Inquiries into the Nature of Slow Money: Investing as If Food, Farms, and Fertility Mattered* (Chelsea Green) he's just as comfortable tossing out references to Gandhi and Thomas Merton as he is spouting acronyms and economic statistics.

As founder and chairman of the Slow Money Alliance, Tasch aims to bring investing back down to earth. We need to curb our addiction to quick profits, he says, and stop our dollars from flying around the globe, perpetuating an anonymous economy of extraction and exploitation. He believes that by investing in local, sustainable food enterprises, we can help restore the soil, build community, combat global warming, and even make a modest profit.

In 1979, six years after graduating from Amherst College, Tasch found himself working with a team of economists at the International Maize and Wheat Improvement Center in Mexico — the very place where the invention of new, high-yield varieties of wheat had kicked off a worldwide modernization of agriculture that had become known as the “Green Revolution.” His job was to help write case studies on the social and environmental impact of the new wheat, a variety that could tolerate huge amounts of chemical fertilizer. (The old wheat, when given that much nitrogen, would simply grow too high and fall over.) This change created much bigger yields and paved the way for the large-scale farming that dominates global food production today.

After leaving Mexico, Tasch became an entrepreneur and found work with a small venture-capital fund. Large amounts of money were flowing in, but socially conscious businesses had difficulty getting any, because they couldn't promise the quick return that investors demanded. To remedy this, Tasch attempted in 1989 to start the first institutionally backed, socially responsible venture-capital fund. As it happened, that year was the nadir in new funding for venture capital — a delayed effect of the 1987 stock-market crash — and the fund did not come to fruition. Still, Tasch's pioneering efforts created relationships with leading philanthropists and investors, paving the way for future collaborations.

In the nineties Tasch began to circle back around to the

realm of food and agriculture. As treasurer of the Jessie Smith Noyes Foundation — one of the first grant makers to focus on sustainable agriculture — he oversaw substantial investment in enterprises like Stonyfield Farm, a then-unknown company that went on to become the world's largest maker of organic yogurt. As gratifying as the work was, Tasch was frustrated by investors' continued expectations of big, fast payoffs, which excluded certain companies from investment and forced others to abandon their ideals in order to meet profit benchmarks. He began arguing for investors to change their expectations and “put down the telescope of venture capital and look at the rest of the world.” He was one of the first to use the term “patient capital” to describe this needed change, and he founded a non-profit to provide start-up money to businesses in economically disadvantaged regions. In 1998 Tasch became chairman of Investors' Circle, a network of more than two hundred investors and foundations using private capital to promote the transition to a sustainable economy.

Over the last decade Tasch has become even more convinced that our insistence on unlimited economic growth is no longer sustainable, or even desirable. He now calls his approach “slow money,” deliberately echoing the slow-food movement started by Carlo Petrini to celebrate the beauty of food and encourage eating local. Tasch's new organization, the Slow Money Alliance, though only in its second year, hosted a national gathering that attracted people from thirty-four states and six countries, including farmers, investors, and environmentalists who sense that a growing movement is at hand.

Tall and professorial looking, Tasch has a neat salt-and-pepper beard and an easy laugh. His knowledge is far ranging and encyclopedic, and his thoughts tumble out quickly. We met on a windy spring afternoon in San Francisco, at the hilltop home of a friend of his. The upstairs room where we sat had a large window overlooking the city. The skyline was framed by waving branches of cherry and plum trees, heavy with blossoms. It seemed the perfect backdrop for a conversation about money and food, commerce and the environment.

Sullivan: Before we talk about slow money, what is fast money?

Tasch: Fast money is trillions of dollars a day flowing through currency markets. Fast money is the whole planet focused on the Dow Jones Industrial Average even though

99.9 percent of the planet has no idea what that number represents. We've ceded our consciousness to those fluctuating figures. We are so caught up in the explosion of wealth and technology that we fail to recognize what a historical aberration it all is.

Sullivan: In your book you write about how that explosion of wealth and technology has separated us from the consequences of our actions.

Tasch: It is almost impossible for the entrepreneurs and investors who have benefited tremendously from the technological explosion to recognize the long-term social and environmental implications of their actions. For instance, let's say you were an early investor in an online company, and your \$100,000 investment has become \$10 million — you can't see any downside to that. Even if you're just an ordinary person who uses Google to get information, you see only how easy and useful it is. I use Google all the time. I love it. But the Internet relies on a network of power plants and manufacturing plants and airplanes and highways to work. Behind these devices is an infrastructure that has dramatic environmental and social impacts. But the people who benefit — either as entrepreneurs, managers, investors, or just as users — view it as if it were magic. A Google search or an online auction doesn't seem to have a carbon footprint. It doesn't appear to cause any harm.

Sullivan: Economist E.F. Schumacher, one of your influences, said that, from the point of view of the market's proponents, "the idea that there could be pathological growth, unhealthy growth, disruptive or destructive growth . . . must not be allowed to surface."

Tasch: I think most people understand that too much growth can be bad for a city or a town — it can lead to traffic congestion, sprawl, and other complications. But when it comes to the economy as a whole, most of us believe there's no such thing as too much growth. What so many have forgotten is that the growth of the economy is what's fueling the malls and the new highways and the paving of farmlands for suburban development. People think we need a growth economy because we need jobs, money, and so on, which we do, but they fail to see how it's directly connected to many of the problems we're worried about in our communities. The wife of a corporate CEO or Wall Street trader, for example, might show up at a local advocacy meeting to stop a mall from being built. She doesn't recognize that the way her family earned its wealth contributed to the problem in the first place. She sees the two phenomena as separate.

The same disconnect occurs with philanthropists who try to use their wealth to solve social and environmental problems. There's about \$600 billion in private-foundation assets in the United States, and this funds philanthropic entities that do plenty of good, but the money is invested in the stock market without enough attention to what it supports and how that might be in conflict with the mission of the foundation. A founda-



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tion dedicated to renewable energy could be investing in Exxon. A healthcare foundation could be investing in tobacco stocks. The Gates Foundation has investments in Nigerian oil companies at the same time it's giving grants to promote healthcare in the villages of Nigeria. The oil companies' actions are endangering the health of the people who live in those villages, but the Gates Foundation doesn't see a conflict. It views the investment as separate from the philanthropy. The goal of the investment side is to make as much money as possible so the foundation has more to give away.

This is a symptom of a very deep cultural disease: we've separated profit making from social goals and forgotten that the way we make money actually shapes our environ-

ment. I'm not saying people shouldn't become rich. It's not a matter of controlling who makes how much money; we have to control what the money is financing. We have to be more intelligent and more nuanced in our understanding of economic growth.

Sullivan: You've joked about pursuing "high-risk, low-yield" investing — turning conventional investment strategy on its head. Do you really believe you can get people to change their mind-set about investing?

Tasch: Well, that's the big question. I did a workshop in Burlington, Vermont, and a banker who attended said, "You're basically suggesting that investors completely change their worldview. That's never going to happen." And I said I agreed with the first part of his statement, but I disagreed with the second part. Because I think it *is* going to happen, and we're right at the beginning of it. Only two years ago we had a president who didn't believe in climate change.

Sullivan: You've also said we need to rethink our belief in what economists call the "invisible hand" of the market.

Tasch: The invisible-hand theory has become synonymous with the power of free markets to better the lives of the majority. It says that every investor trying to maximize his or her own rate of return is the most effective route to the greatest good for the largest number of people. That idea has become so deeply embedded in our thinking that some people believe letting the markets run their course will solve all our problems. They get frightened at talk of interfering with markets in any way, because they think the market "knows" best.

Sullivan: What's the origin of this theory?

Tasch: The invisible-hand idea comes from eighteenth-century economist Adam Smith's *The Wealth of Nations*. Smith believed in the profit motive, but he never dreamed the invisible hand would become the primary organizing principle for an entire society. In his first book, *The Theory of Moral Sentiments*, he assumes that markets will operate under a "social contract" that ensures ethical transactions. The contract dictates fairness, reciprocity, mutuality, and being responsible to one another — which today is all archaic. Everything now is big, virtual, and remote. A marketplace, back when Smith

wrote, was a place where people actually met, and you knew who you were doing business with. Now there are so many layers in the market that people never actually have to deal with one another. It's easy to see how that could run amok. There's almost no social contract anymore.

Sullivan: It seems like the invisible hand, taken to its extreme, leads to the kind of thinking portrayed in the movie *Wall Street*, where the highflying corporate raider says, "Greed is good."

Tasch: Yes, you end up with a philosophy that says maximizing profit is synonymous with human well-being. It's as if you're walking by a man on the street who asks you for money, and you don't give him any because you believe you're already maximizing everyone's well-being.

Sullivan: Every two hundred years or so, you've said, we come to a threshold at which everything changes. What have some of those past thresholds looked like?

Tasch: Around 1600 capitalism began heating up in Amsterdam with the development of joint-stock companies, which financed explorations of the New World while minimizing the risk to investors' capital. That was a huge innovation, and critical to colonization.

Two hundred years later, around 1800, we had the beginning of Wall Street: people trading shares of corporations that were building railroads across the continent. It was the start of transcontinental exploration and conquest and resource extraction.

Now, at the start of the twenty-first century, there are no new continents to conquer. The atmosphere is full of carbon, the planet is full of people, and the roads are full of cars. We face a new challenge — what I call a "system-design" challenge. We have to transform the economy itself so that we're not just creating wealth but also solving social and environmental problems. We can't wait another fifty years to try to clean up the mess. With four hundred parts per million of carbon in the atmosphere, and the loss of half a percent of soil per year on a global basis, and the draining of the Ogallala Aquifer faster than it can refill, we don't have fifty years anymore.

The twentieth century saw the greatest legal accumulation of wealth in history. Now we have to address this problem of the speed of capital. We have to slow money down and allow it to stay in communities and bioregions. We need to have a restorative economy.

Sullivan: What is that?

Tasch: The phrase "restorative economy" comes from Paul Hawken's book *The Ecology of Commerce*, which is one of the best books written on the topic. Everyone's talking about "sustainability," but we have to move aggressively to restore the social and environmental systems we've already damaged. The world economy is growing at a rate of hundreds of billions of dollars a year, and there are all kinds of embedded issues of consumerism and materialism and waste. E.F. Schumacher said it so well in *Small Is Beautiful*: the premise that maximum consumption will automatically translate into maximum well-being turns everything on its head. Shouldn't we be trying to maximize well-being with as little consumption as possible?

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Sullivan: So how do you slow money down?

Tasch: We use the power of entrepreneurship but support the entrepreneurs who design businesses to solve social and environmental problems and are committed to bioregions and communities. I'm especially interested in agriculture as a place to create that change. We're not investing enough in small-scale, organic agriculture. Rapid economic growth has created tons of cheap food with a long shelf life, but it's destroyed family farms, which are vital to rebuilding and preserving soil fertility.

Sullivan: What's so important about rebuilding and preserving soil?

Tasch: The numbers speak for themselves, and they are astonishing. The Food and Agriculture Organization of the United Nations says that at least half a percent a year, and possibly as much as 1 percent a year, of total arable land is being degraded by erosion. The rate of erosion has been accelerating for several decades. When do we hit the bottom?

David Montgomery, a geomorphologist at the University of Washington, wrote a book a few years ago called *Dirt: The Erosion of Civilizations*. He did an analysis of civilizations throughout history and found a direct correlation between the loss of topsoil and the decline of those civilizations. You can go back and look at Roman ruins and track the erosion of the soil. This is the first time that we are degrading soil on a global scale — maybe not at the same rate in every place, but we are losing arable land in a way that we can measure globally.

Sullivan: Doesn't the degradation of the soil also have to do with how many microorganisms are in it — in other words, how alive the soil is?

Tasch: Exactly. We are dumping tons of chemical fertilizers on the soil in order to boost short-term yields, giving nitrogen straight to the roots of the plant to create more corn or wheat, but all that nitrogen kills the microbes and the earthworms. Healthy soil is highly diverse. By some estimates there are a billion microorganisms in a gram of soil — as many as four thousand different species, most of them not yet named. Scientists have done relatively few studies of life in the soil. In many places the greatest living biomass is not on top of the earth — it's *in* the earth: microorganisms and single-celled organisms and fungi, all creating the conditions that allow

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plants to grow. Once you think about that, you want to leave the soil alone as much as you can. You certainly don't want to dump tons of chemicals on a piece of land and run over it with tractors and plows, destroying all the organic matter.

Sullivan: How long does it take to build topsoil?

Tasch: Left to its own devices, a prairie will build maybe an inch of soil over a millennium. Think how many millennia it took to build the Midwest soils, which were several feet deep when Europeans arrived here. Industrial agriculture can undo in decades what it took many thousands of years to create.

Five hundred years ago Leonardo da Vinci said, "We know more about the movement of celestial bodies than about the soil underfoot." That's still true today. While we've learned about the far reaches of space, we've pretty cavalierly manhandled the soil in our desire to produce a lot of cheap food.

Sullivan: So how do we address the soil crisis?

Tasch: Wendell Berry has said that soil isn't destroyed in heaps of magnificent tonnage — meaning we're not losing it all in one place because of some horrible catastrophe; we're losing it through millions of small acts. And the way we're going to rebuild it is by millions of small acts of restraint and care. We're not going to find a technological fix. We're not going to find a globalized-market fix. We're going to find lots of small fixes at the local level. Small-scale, organic farming is the answer to many of these issues, because a well-managed, diversified, organic farm will leave the soil better than it found it. And it will grow food that's healthier for us. There's also quite a bit of scientific evidence that organic farms actually pull carbon from the atmosphere, helping remediate global warming.

Sullivan: So where does the Slow Money Alliance come in?

Tasch: We're going to start investing in small-food enterprises and saving farmland. There is a wave of entrepreneurs out there who are socially and environmentally committed, and many of them have no interest in turning their businesses into large corporations that will be acquired by multinationals or go public. They actually want to have vibrant small or medium-sized businesses; they want to stay rooted in the community; and they want to serve local markets first rather than become the next Stonyfield Farm.

Sullivan: What's wrong with Stonyfield Farm? It's a suc-

cessful organic-yogurt company.

Tasch: Companies like Stonyfield and Earthbound Farm and Cascadian Farm were early adopters of organics and have grown to make hundreds of millions of dollars. Cascadian and Stonyfield are now part of multinational corporations. Once a business reaches that scale and is publicly owned, it's difficult for it to maintain its connection to localities. The food supply is becoming consolidated at the very time when we're desperately concerned about biodiversity. If everything gets sucked into a smaller number of larger corporations, there's a strong tendency to lose biodiversity. Over the last century, as corporations and the industrial food sector have grown, biodiversity has plummeted. In terms of the food supply, that's a real concern. So, while we celebrate the ability of these larger companies to bring organics to a mass market, we must also begin investing to preserve the diversity of many small food enterprises.

Sullivan: What causes these companies to grow too big?

Tasch: It's mainly a matter of finance. I'll give you an example: Cowgirl Creamery is a Marin County, California, cheese maker that has now expanded to the East Coast and has almost \$10 million in revenues. That's a pretty successful cheese company! Let's say they want to become a \$50 million cheese company. Where do they go for their investment capital? To convince a venture capitalist to give it to them, they would have to promise to sell out to a big multinational in two years and pay back three times the investment, because big investors are thinking only about how to make three, five, or even ten times their money back in a few years. That's the way private companies are financed in this country. No one is looking to leave their money in one place for ten years and make a few percent in return on it.

Sullivan: It sounds like a company might be tempted to grow much faster than it should as a way of getting financing and end up making compromises that it never intended to make.

Tasch: I see that happen every day. There are social entrepreneurs who start for-profit businesses to address a social or environmental problem, but in order to raise money they have to write business plans. A venture-capital business plan has to have hundreds of millions of dollars or more in revenues by the fifth year for a venture capitalist even to *look* at it. There are maybe a hundred so-called community-development venture-capital funds in the U.S. that create jobs in economically disadvantaged regions, and they struggle mightily to raise capital from banks and well-intentioned investors. The problem is they have to offer "competitive" rates of return, which is virtually impossible. They're behind the eight ball before they even start.

Take a business like Organic Valley, a dairy producers' co-op with more than a thousand members. Its annual sales are over \$500 million. They operate the business at about a 2 percent profit margin, of which 1 percent goes back to the members each year. I was talking the other day to the CEO, who is a member of the Slow Money Alliance. He said, "What kind



of business would this be if I had to make 5 or 10 percent?" He couldn't do that and still work with those farmers.

Let me give you another example: Butterworks Farm is a three-hundred-acre, one-family farm just south of the Canadian border in Vermont. They are making as much organic yogurt as they can with their fifty cows and growing most of their own feed, buying as little as possible. It is the most sustainable food-production business I've ever seen, but after thirty-five years they have a \$1 million business, and their brand is available only in New England. A million-dollar yogurt business might be viewed enviously by small farmers in this country, but it's nothing to an investor.

What I would like for Slow Money to do is help create five hundred Butterworks Farms, not one Stonyfield. What we want is real diversity: ecological diversity, cultural diversity, and economic diversity, which only a large number of small, decentralized food producers can accomplish. We have to invest in the million small acts of care and restraint that are essential to preserving the soil of the economy, or we're not going to survive.

Sullivan: So the Slow Money fund will help those little companies find financing?

Tasch: Yes, we want to connect small investors to the Butterworks Farms of the world. Right now it's very, very hard

for an individual investor to invest in an individual company. There's no system set up for it. But it doesn't require a feat of high technology; it's just a matter of financial design. If we put our minds to it, we can figure out systems.

Sullivan: What else might be in a Slow Money fund portfolio?

Tasch: Everything from CSAs [community-supported agriculture programs] to slow-food restaurants to regional food processors. In addition to all that, there's the land question. We're losing millions of acres of farmland a year to development. A lot of that land is in suburban rings around urban areas, which is often where some of the best farmland is and the most logical place to produce regional food for the city. We're doing everything backward as far as agriculture and food supply goes, and there's very little being done to correct it. There are some national farmland-trust initiatives and some regional land trusts, but it's not nearly enough. We have to create opportunities for investors to put some of their assets in a financial vehicle that would buy farmland and sell it to next-generation farmers over a long-enough time period to make the numbers work for everybody. Land is historically a good investment in uncertain times.

Sullivan: Have you considered any other kinds of investments for Slow Money?

Tasch: A little farther afield is sustainable timber. You create a return for investors in a way that does not require trees to be cut faster than they can be replaced. It's still quite a small investment area, but evidence suggests that it's possible to make a 5 to 8 percent return investing in sustainably managed forests.

When I was down in Santa Barbara, someone suggested that Slow Money buy local newspapers. Newspapers are going out of business because they're not profitable enough for hedge-fund and private-equity investors. But Slow Money could invest in newspapers and other independent media. It could also invest in green, affordable housing. We have to meet the basic human needs: food, shelter, clothing. Food is so vital — because of the carbon, because of the climate, because of the water — that for the foreseeable future it will be our focus. If we can expand beyond that, great.

Sullivan: Why focus on for-profit businesses as agents of social change? Why not charitable foundations?

Tasch: There's simply more money in the for-profit sector. And of the money given away by private foundations, less than 1 percent goes to the environment; the rest goes to causes like poverty, disaster relief, education, and healthcare. And how much goes to sustainable agriculture? About a tenth of a percent. Most environmental grant makers don't focus on agriculture and food. The money goes to conservation: saving salmon or protecting rain forests. But industrial agriculture is one of the most polluting activities on the planet. Reforming it would conserve so much.

Sullivan: Does it make sense to use the tools of capitalism to cure the excesses of capitalism?

Tasch: We have to use the power of markets and entrepreneurship because we have to feed 7 billion people, soon to be

8 billion people, then 9 billion people. Half the world's population hasn't really enjoyed the benefits of economic growth yet. We need markets, we need entrepreneurship, and we need the right kind of economic growth to provide for a few billion more people. We need growth to be more nuanced and to recognize the changed circumstances we have now.

Sullivan: How will financing small-food enterprises help rebuild communities?

Tasch: Think about the social relationships that form around a CSA, in which scores or even hundreds of people invest in a farm and take their share of the food. It's so simple, yet it could be a solution to our global economic crisis. There are only a hundred thousand Americans getting food from CSAs right now, whereas in Denmark there are fifty-five thousand people in Copenhagen alone getting their food from what they call a "box scheme," which is analogous to a CSA. Imagine if millions of Americans were getting their food from CSAs.

And it's not just about the food; it's about connecting people to one another. The social capital is just as important as the natural capital. We've been chasing financial capital for the last fifty years, and we've allowed social and natural capital to fall by the wayside. Now we're in a place where we have to at least find a balance. The more aggressive reformers would argue that social and natural capital should take precedence over financial capital.

Sullivan: How has our fast-money economy done harm to personal relationships?

Tasch: I would say an economy that accepts that families will be split apart so that their members can follow careers and opportunities around the country or the globe is violent to social stability. People are disconnected from their relatives and from the places where they grew up, and they have limited allegiance to new places and fewer social relations there. I don't think most people would say that money helps create better relationships between people. In fact, by definition it puts people on opposite ends of transactions. But there's a beauty to money, too, because it creates liquidity. It allows people to trade with greater ease than bartering does, and there's an initial advantage to that. It's when money gets aggregated in large pools and takes on a life of its own that it becomes destructive to relationships. We've been talking in the last decade or so about carbon footprints, but we haven't really talked about the social footprint — the broken social relationships in the wake of economic growth.

Sullivan: That reminds me of a story in your book about a young entrepreneur whose offices were in the World Trade Center before 9/11.

Tasch: He had been developing software for Wall Street and had made lots of money working with the leading investment banks. On 9/11 his most recent start-up was in one of the World Trade Center buildings. They lost all their records. Even the backups were in the building; they'd never imagined the entire building going down. He was talking to his board of directors, which was comprised of many of the leading investment bankers on Wall Street, about steps for the future, and one of them said, "Why don't you get Osama bin Laden

to fund your restart?" It was a racial slur based on the fact that this entrepreneur was Egyptian. He was a graduate of a prestigious business school and had great credentials, but he was an Arab. When this fellow told his story at a Slow Money retreat, he said, "I thought I had really strong personal relationships with all of my board members and investors. That day I realized it was all about the money; we didn't have any relationships."

Sullivan: In your book you include a poem you wrote that ends with this line: "Poetry is the portal through which capitalism can return." References to poetry are surprising in a book about money.

Tasch: Poetry, to me, is an expression of the need to be creative to solve problems. Portfolio management and profit maximization are extremely linear activities: Buy low. Sell high. Manage your risk by asset allocation. Never ask the big questions, because those are all imponderable "externalities." Stay focused. Stick to your knitting. As long as we each make a killing, everything is going to be OK.

I'm fascinated by that expression: "make a killing." And if we're killing the planet? I guess that's just an unfortunate side effect.

I think of farmers and entrepreneurs as the poets of the economy. A successful small farm has practicality and beauty and risk and humanity and nature all working together to create sustenance for us. That's poetic. And what does an entrepreneur do? He or she dreams up something that doesn't exist and makes that into a set of transaction relationships that will ultimately change people's behavior. I'd say most entrepreneurs are driven by the idea that their product or service will make the world a better place.

Why is it far-fetched to introduce poetry to finance when finance is the fuel that we put into the system to make it work? If we don't have poetry there, how are we going to have poetry in any part of the economy?

Sullivan: You also talk a lot about beauty. What place does beauty have in investing?

Tasch: If you just look at the landscapes our economy has produced, they are pretty darn ugly, or at least are trending toward ugliness. Compare a McDonald's parking lot to a small organic farm and consider what effect each has on you.

The concept of beauty might be a little squishy and impractical, but if you think about what makes a beautiful company, you'll probably arrive at one that doesn't destroy social and environmental relationships. Beauty is also subjective. You could say: "We have to produce cheap food; who are you to say that McDonald's isn't beautiful?" But I do say there's nothing beautiful about the parking lot of a McDonald's, especially compared to the artisan, heirloom, and indigenous food producers that Slow Food is trying to protect. Call me "elitist" if you want, but the idea of preserving the last two hundred sheep in a distant mountain valley that is producing a one-of-a-kind cheese is beautiful. To me there really isn't anything beautiful about people driving into a McDonald's parking lot. Yet there are plenty of investors helping McDonald's span the globe. There isn't a lot of capital going to preserve those sheep

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in that distant mountain valley. Why? It's too small, transaction costs are too high, and you can't make enough money.

Sullivan: How do you deal with the charge that artisan, heirloom foods are "elitist"?

Tasch: That's a huge issue that's often thrust in our face: "Great," someone might say. "You know where your very expensive food came from, and you eat nice little portions of it in fancy restaurants, but how is that a social-change strategy?" It is hard to reconcile the need for cheap, shelf-stable food to provide a certain number of calories a day with, at the other end, people celebrating the beauty of food by paying thirty-five dollars for an entree and a hundred dollars for a bottle of wine. This is a huge gap. But the harsh fact is that the production of cheap calories is not sustainable. Somehow we have to get ourselves out of this Catch-22 of having to produce cheap food to feed the masses while high-quality, locally grown food is available only to those who can afford it.

We've painted ourselves into a corner as a culture. It's bigger than just the food corner; it's the wealth-disparity corner. Food can't be expected to solve the entire economic problem, but we have to start moving in the direction of localized food. All those costs that have been externalized to create cheap food are going to find their way back in, and the price of food is going to go up. Right now we're still relatively early in the process, so that "elitist" tag is difficult to avoid. But worrying about accusations of elitism is like standing too close to a canvas that is supposed to be looked at from a couple of feet away: when you get too close, you can't quite see it anymore, but if you stand back, it all comes together.

We'll get there. Obviously it's going to be a bumpy road to get from the commodification and global markets that we have now to a more beautiful, smaller local system, or just a balance of the two — assuming we're always going to need both. But human beings need to know where their food comes from and to be connected to the earth. If they don't have that experience, they are worse off for it, and ultimately their society will not survive.

Sullivan: Did you have a garden growing up?

Tasch: No, I grew up in a New York City suburb. My grandparents on my mother's side grew up on farms in Russia and emigrated in the first decade of the last century. My

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grandfather always grew a few tomato plants behind his house in Brooklyn, and as a kid I thought this was kind of odd. In the suburbs after World War II, nobody grew anything other than grass. My mother was excited about Swanson TV dinners and Sara Lee cakes and all the convenience foods that originated in that era. I was definitely a product of all that.

Sullivan: Do you have a garden now?

Tasch: Yes, I have eight raised beds up at 8,300 feet in New Mexico. I've had a garden wherever I've lived for the last twenty-five years: nothing fancy and always a little too big for me to manage. I'm sometimes asked, "What would be the one thing you would tell people?" and I say, "Grow some vegetables." Even if it's just herbs or lettuce or garlic. It's hard for a thinking, feeling person to be involved in that process and not be amazed by it. Eliot Coleman, a small farmer, said to me, "You want to talk about returns? At a thousand to one in four months, a tomato seed makes even the highest flier seem paltry."

Once you get involved in the process of sunlight and water and microbes, it will influence you in important ways. It's a shame more people don't have access to land. But even if it's just one sweet-basil plant in a window box, I think you can get those benefits.

Sullivan: Since you wrote your book, the world's financial markets have tumbled even further and at times have seemed on the brink of collapse. Has this helped the reception of your ideas?

Tasch: Well, it's certainly more of a help than a hindrance. Of course, if the background rumbling becomes a thundering avalanche, it may become hard to talk about anything for a while. Are we going into a Great Collapse? I would say it's a distinct possibility. But right now the downturn has created an opening for discussions about the future of capitalism that I can't believe we ever would have had without it.

In the seventies, when people were lined up around the

block to buy gasoline, it was scary, but it didn't ultimately change people's behavior. The discussion went away as soon as the problem went away. I believe that this time the discussion won't go away. We can't just shake it off and call it an isolated, random event. These problems are connected. We're not going to wake up tomorrow and find that capitalism as we know it is over, but people are willing now to ask serious questions and entertain the idea that real alternatives are necessary.

The economy right now is 99.9 percent global and industrial, which puts it at great risk of systemic collapse. We need to start rebalancing. It's essential that small and local economies go from .1 percent to 1 percent, to 2 percent, to 5 percent of the overall economy. Slow Money is planning to raise tens of millions of dollars to begin doing this. Whether we can is unknowable at this time, but there is a glimmer of hope. Since the book has come out, I've been on the road, and I've been amazed at the energy in these rooms. People want to start doing this right away.

Sullivan: You say that our secrecy about money is the final barrier to cross.

Tasch: It's taboo to speak about one's money for two reasons: guilt and fear. The guilt arises over the ways we make our wealth. First, we benefit from nonsustainable systems. Our gasoline is cheap because of subsidies, and as a result we're using it up really fast. Most people are smart enough to recognize that there's something wrong with that.

We also benefit from social inequity. My father had a small factory in New York. He had a hundred employees who all lived in Harlem and the South Bronx, and I would sometimes come to work with him and play in the factory. It definitely didn't seem fair to me. We were getting all the profits, and I got to go to good schools in Connecticut. My father wasn't a horrible employer, and it wasn't a horrible company, but there was a dissonance there.

Sullivan: How does fear keep us from speaking openly about money?

Tasch: If we don't produce anything for ourselves, then all we have is purchasing power. Our money is our only protection against deprivation. It's pretty hard for us to say we don't need more of it, because more money means more security. We don't talk openly enough about our fears and uncertainties. Look where our tax dollars go: half of every dollar I'm sending to the federal government is going to the military. The Pentagon budget is something like \$500 billion a year. Why? Because we're afraid. We're afraid that our way of life will somehow go away. And it *will* change in the near future, not because of terrorism, but because our way of life is unsustainable.

Fear says that we have to keep going faster to survive, that everything is going to collapse if we start going slower. But there is a greater likelihood that it will collapse if we keep going faster. Somehow we need to get past our fear and move into trust. We could trust how abundant nature is, how resilient it is, how fast it can come back if we let it. It takes a thousand years to make an inch of topsoil, but think about a plant growing up through a crack in a parking lot. That's how stubborn life is: you've got to pour herbicide on it to kill it. ■