how can agriculture transform the economy?
Dear Friends,

Every year at harvest season, we get excited about the Food & Agriculture newsletter because it gives us a chance to share such inspiring stories with you, like those of Viva Farms and Hawthorne Valley. Both stories exemplify the link between agriculture and community. They also make clear how important long-term access to land is for fulfilling their intentions.

Fortunately many people are waking up to the importance of organic food—not just because it may be better for them to eat, but also for the healing benefit it brings to farmers and the environment. However, less than 4% of all sales of food and beverage products in the U.S. are certified organic and less than 1% of all land used for crops and livestock in the U.S. is certified organic. This represents a tremendous opportunity and challenge in the coming decades. Imagine when each of these numbers reaches 25%, or 50%!

The most powerful shift will occur when we go “beyond organic”—Local, Biodynamic. These are the keywords for a truly community-based approach to food. We know that organic can be done at industrial scale, which carries with it many of the same economic problems we see in other large-scale or globalized businesses.

Instead, we think we’ll see tens of thousands of small, diversified farms sprout up over the next 10-20 years whether motivated by community resilience or business innovation. And we are aware of at least one new program, the Center for Diversified Farming Systems at UC Berkeley that calls into question the dominant paradigm of 20th century agricultural development with an approach to diversification on the farm that can be the key to feeding the world and practicing ecological stewardship.

So how does a diversified approach to farming connect with money and finance? Just as we’ve seen big developments in how people think about their food, we are also beginning to witness a huge parallel shift in how people think about their money. There has been significant growth in sustainable and responsible investments (SRI) over the past 30 years. 12% of all assets in the U.S. ($3 trillion out of $25 trillion total) are invested in SRI funds. Imagine when this percentage goes to 25%, or 50%!

Even more encouraging is that the fastest growing segment of SRI is Community Investing, defined as funds “that serve communities overlooked by traditional lenders.” Over the past three years, Community Investing has grown over 60%, from $25.0 billion to $41.7 billion in assets, and local food systems are a part of it.

Just as local has gathered as much interest as organic, we are seeing direct community investments capturing people’s imagination in a way that socially screened mutual funds do not. People are no longer satisfied with cutting out what’s bad; they want to invest in what’s good.

As always, we hope that you will enjoy the thoughts and stories in this issue of the RSF Quarterly. We also hope that you will think about how your money is working to bring about change in our food systems, whether that is buying organic or biodynamic food at the farmer’s market, joining CSAs, investing in organizations that support diversification in food production, or supporting social enterprises such as Viva Farms. It will take investing, lending and giving in concert to bring about the change we want to see. Please consider RSF as your partner in this effort.

All my best,

Don Shaffer,
President & CEO
Economic life originates in agriculture. Some may find this obvious and wonder at the purpose of the inquiry. Some may see parallels between the states of the economy and agriculture and deny any causal relationship. In any case, agriculture—bringing wisdom to the land—is critical for the ability to thrive economically on an earth whose very nature is being challenged.

A key source of my physical well-being lies in the nourishment I receive from the land. I know that if someone is not continually caring for the land and its vitality, it will become exhausted. And, it takes demanding labor and sensitive intelligence to coax food from the soil no matter how fertile. Applying labor and intelligence to land gives rise to economic life, particularly when, based on specialized knowledge and effective practice, the farmer provides for others. But, let me dig deeper.

To find the poetic of economics, follow the farmers to the furrow. They live the core practices through which we can see the prime virtue of economic life—interdependence. They work creatively with the confluences of mineral, plant, and animal. The farmer orchestrates the part each plays in the rhythmic woven cycles of farm life. They understand the physical phenomena of the earth, air, water, and light in order to know how to work with the life forces that animate those physical forces and how they are expressed in all aspects of the farm. Then, given success with all this, they also have to have a sense for what to do with all they have produced—the business of farming. Thus, the fertility of the soil is the farmers’ enduring legacy and from which they create a living. The land is their equity, stewardship their mission.

A farmer who sees the farm as a living organism, as a self-renewing entity, and who is also able to sustain community around it, is a poet of economic understanding. She or he sees the ebb and flow, the metamorphic processes, as life itself. Food is in reality a natural byproduct of that poetic practice. Such a farmer is a rarity and an exemplar, a mediator between the spiritual and material worlds. When that farmer creates an interdependent community around that farm, such as is found in the original forms of community-supported agriculture, the farmer becomes the generator of real economic life. The reciprocal relationship between the farmer and the eaters, their mutual interest, resides in the flow between money, vocation, and production, while meeting the physical and social needs of their participants. In this model, as an eater I know the farmer, the nature of the labor and level of intelligence applied, the method of farming, the state of the soil; and, I am part of an economy totally free of forces of the marketplace. The community is connected to the farmer and the farm through the financial support it provides and the risk it shares in the co-created system.

Anyone who has not experienced such a community-farm must be wondering which world I am living in, or which century. I am describing a way of being in connection with agriculture that is in stark contrast to an industrial agricultural system in which the farmer is instead subjected to the vagaries of the marketplace. Along with the pressures of the marketplace come all the questions of mechanical efficiency, mono-crops, dependence on petro-chemicals, scaling for profitability, an unstable labor force, untraceable externalized costs, and, to my mind the worst, the invisibility of the farmer within the whole food system. Such a scale and market-based agriculture directly correlates to the experience of disconnection from the human activity required to produce it. Food is reduced to commodity, a thing like all other things, but with a short life. Profitability trumps fertility.

The sacrifice of true economic interdependence that reaches as deep as the molecules in the soil and connects them with the lives of the farm community no longer works and has led to destroying the earth. I think it would be fair to say that if we could relocate the essential purpose of farming, live in its poetic processes, we would have to rethink virtually every other aspect of our economic life. We have to start somewhere. Why not with the farmer and the source of all well-being?
Soil, Soul, and Society: Reimagining Community
by Martin Ping

“What we are founding here is a seed—the seed of a living organism. The organism is essentially threefold—pedagogical, artistic, and agricultural—as reflections of thought, feeling and will. Each needs the others if the whole is to flourish. All are interrelated... for young and old alike, this work together will create a place in which to become, in the true sense, a full human being.”

—Karl Ege, Hawthorne Valley Founder

On July 30, 2012, Hawthorne Valley Association marked the 40th anniversary of working the soil of agri-culture on its land in the Hudson Valley of New York. In all that time it has been Hawthorne Valley’s mission to inspire by example social and cultural renewal through the integration of education, agriculture, and the arts. The significance of place and the ability to connect intimately to and through place provide compelling evidence as to why our localized agriculture can be understood as a foundational activity upon which all humanity depends—not just for producing food.

Hawthorne Valley does produce its share of food. Situated on 400 acres and leasing another 400 from neighboring landowners, Hawthorne Valley Farm is a diversified biodynamic farm with dairy herd, on-site dairy processing and creamery, 14-acres of vegetables, four CSA groups, five Greenmarkets, an organic bakery, a vegetable processing kitchen, and the Farm Store, which is a full-line organic grocery store featuring Hawthorne Valley products along with many local and regional artisanal food and value-added offerings.

Acknowledging the challenges facing small independent farms in the late 1960s and early 70s, a group of pioneering biodynamic farmers in the U.S. were looking for a viable way to keep land in agriculture without having to rely on family succession as the sole alternative to a monolithic agri-business model. Valuing land as more than commodity and de-coupling it from market forces that clamor for “best use” (i.e. most...
profitable) was viewed as a healthy and necessary step towards reshaping the future of farming.

Fortunately, a group of Waldorf teachers spent summer vacations on one of these biodynamic farms. They were concerned about children's meaningful interaction with the natural world. As the forces of materialism, mechanization, and technology infiltrated childhood at increasingly earlier stages of development, they wanted to be sure the possibility would remain for these young people to form a living connection to the earth they would one day be called upon to steward.

Hawthorne Valley came into being as a response to these emerging issues. By purchasing property with the intention of making it a viable, working biodynamic farm providing hands-on, practical learning opportunities for children and adults, the founders of Hawthorne Valley set the stage for what would develop over the next 40 years, touching the lives of thousands along the way.

The natural landscape at Hawthorne Valley has provided a living classroom for the numerous agricultural, educational, and cultural offerings that take place on the farm. The Farm Learning Center administers training and education for biodynamic farmers, including a two week biodynamic intensive and an apprenticeship program. Just across the road, in the heart of Harlemville, sits Hawthorne Valley Waldorf School, an independent day school serving students from pre-K through Grade 12. The Alkion Center for Adult Education provides Foundation Studies in Anthroposophy, Waldorf Teacher Training, and intensives in the arts. It is the integration of these initiatives (and more) under one umbrella that contributes to the vitality of the Association.

The humble seed planted 40 years ago has now grown to 160 co-workers manifesting a common vision through this variety of activities.

Hawthorne Valley Association’s service is to a broader constituency than local residents. Visitors come from across the region to experience Hawthorne Valley Farm. In the fall of 1972, the first group of visiting students came from the Rudolf Steiner School in New York City. Since then, over 600 children each year have spent a week or more on the farm as visiting students or summer campers. Comments like “Wow, food comes out of the ground?!” are not uncommon when children set to work in the fields. The joy and satisfaction with which a nine-year old mucks out a cow stall is always gratifying to witness. And, to see the reverence with which a child carries a warm egg in the palm of their hand, as if they had just wrested the golden egg from the giant’s goose, is telling of the deep resonance we can all feel when connecting with the source of life.

This connecting, or re-membering, is at the heart and soul of Hawthorne Valley’s work. Restoring the possibility of nourishing relationships is essential to our mission of social and cultural renewal. By engaging with the natural environment and all that it provides, students, co-workers, and visitors can explore critical pathways toward connecting with each other in new social forms, and at the same time for each one to sense her or his own purpose and highest sense of self. Through direct experience with nature we are given an open invitation to reclaiming our full humanity.

By honoring the interdependence of all, we build the bridge to a consciousness which includes the well-being of everyone.

“Through direct experience with nature we are given an open invitation to reclaiming our full humanity.”

With many activities and initiatives, Hawthorne Valley Association is a constant work in progress as it responds to the needs of the community and region. What began with a gift from three individuals to purchase the land has grown into an economic enterprise rooted in place. From the beginning, as cows were introduced and milk began to flow, the possibility was there for economic relationships to develop—one could ladle milk into one’s own bottle or slice off a piece of cheese. Direct sales and on-farm value-added processing immediately emerged as the center of Hawthorne Valley’s financial stability. Since the
Nelida Martinez was born in a subsistence farming community in Oaxaca, Mexico. She migrated to the U.S. at the age of 16 where she worked as a laborer on commercial farms in California and Washington State for the next 20 years, while also growing and raising a family. A few years ago, Nelida’s life changed drastically when one of her sons was diagnosed with leukemia.

During the expensive treatment process, Nelida began selling homemade food products to neighbors and local stores to subsidize the costs. When her son achieved remission, Nelida decided not to return to conventional farm work. Instead she began growing organic produce around her small home—in pots, window-sills, her doorstep—anywhere she could find space. Soon she was able to expand to a ½ acre plot when her farm worker housing complex opened a community garden. But Nelida had bigger plans in mind. She wanted to grow enough food to support her family and perhaps sell surplus for profit. The question was, where could she gain access to more land?

Serendipitously, and at the same time, a small non-profit called Viva Farms was being launched to address the obstacles new farmers faced. Viva Farms, an RSF borrower, is training the next generation of farmers through a farmer incubation program. Many of the trainees, like Nelida, are Latino immigrants and farm workers. The program incubates beginning farmers by providing access to small, low-rent land parcels, training in sustainable farming practices, shared infrastructure, and marketing support to sell crops through wholesale and retail channels. Viva Farms is one part of the solution to the many challenges in agricultural systems.

Our nation’s food system is vulnerable due to farm practices and policies that do not promote the hallmarks of what a sustainable system should look like. Our current system is based on large corporations producing single crops and in the process creating irreversible environmental damage. Two consequences of this situation, which to date have not received much attention, are the lack of succession plans among farm owners, and the transition of former agricultural land into development. One of the largest contributing factors to this problem is the aging farmer population. Data shows that the average U.S. farmer is aged 57. As these farmers move into retirement, an estimated 70% of farm land will change hands in the next 20 years. And with the steady decline of family farming, the children of these farmers are more often than not, leaving farms and rural areas for careers outside of agriculture.

This economic dynamic is threatening the survival of small and medium-sized farms, further tipping the balance toward big agriculture and a lack of diversity in our food system. Viva Farms, which sits in the Skagit Valley (rated among the top 2% in the world for agricultural use) is fighting this imbalance by providing a farm incubator program for the next generation of farmers.

“We need to look for people from different backgrounds to get into agriculture,” says Ethan Schaffer, Viva Farms Director of Business & Organizational Development. “What we’re seeing is a new face to farming: young, educated, urban residents with little agricultural experience and the farm worker community — highly skilled, Latino immigrants with no access to land and capital.”
This is where Viva Farms steps in. The Viva Farms Incubator Program, launched in 2009, provides new farmers affordable access to education, training and technical assistance; capital and credit; and, land and markets.

In partnership with Washington State University Extension, students in the incubator program participate in the bilingual “Agricultural Entrepreneurship and Farm Business Planning” course. Upon completing the course, students are eligible to sublease a 1-3 acre plot to begin their own operations. In addition to land, Viva Farms supplies all operational infrastructure – greenhouse, irrigation, equipment, storage, etc. Typically, start-up costs for beginning farmers can range from $30,000-$500,000. With infrastructural support, Viva Farms lowers that figure to less than $5,000.

“We’re taking a lot of stuff off the farmer’s plate,” says Schaffer. “We want our farmers to focus on growing their food and getting it to market.”

And the market is where Viva Farms is seeing some of their biggest impacts. Santiago Lazano started the Viva Farms Incubator Program with two acres of leased land. When he first began selling his strawberries to canneries and brokers he was making anywhere from $2-4 per half flat. With marketing support from Viva Farms, Santiago began selling to retail outlets, restaurants, and through the program farm stand. Today, Santiago makes $8-10 per half flat and has expanded his operations to five acres at Viva Farms and four acres elsewhere.

Likewise, Nelida Martinez has flourished since entering the incubator. As one of the programs first participants, Nelida started with one acre of leased land. She now farms three acres and operates an organic farm and food business, Pura Nelida. She sells her produce through the Viva Farms CSA, and farm stand, and operates her own stand at a local farmer’s market where she sells authentic Oaxacan tacos made with her own produce. It is her hope to one day purchase ten acres with a house and working farm to support her family and growing business.

The farm incubator is not an end point for farmers. It is a starting point to transition them to farm ownership or to secure long-term tenure. Viva Farms also provides successful program participants with microloans to supply operating capital once they move beyond the incubator.

The need for this type of program is clearly evident. In 2012, Viva Farms reached capacity on their 33-acres of available land. Program leadership hopes to find more land and expand to a second facility in 2013. Additionally, they are working to establish their own 7,000 square foot food hub where graduates and other small farmers can aggregate, process, store, and distribute produce and food products. Prior to RSF’s loan, Viva Farms’ financing options were limited to grants and in-kind donations. The organization’s growth depends on access to steady and larger sources of capital but is currently at a stage where banks and other traditional sources of capital are limited. Viva Farms is also committed to working with a financial partner who understands and aligns with its mission and values.

RSF’s loan helped Viva Farms purchase critical farm equipment and build infrastructure that provides training to farmers. As Viva Farms continues to grow, it will need working capital and additional equipment financing. We see this initial loan as catalytic for getting Viva Farms to its next phase of growth.

**BUILDING THE NEXT ECONOMY**

You’ve probably heard of the “new economy,” which often refers to social media, sharing-based businesses, and sometimes socially responsible businesses. RSF Social Finance is working to build the next economy: one that’s rooted in community, considers everyone’s needs, and restores trust in financial relationships through transactions that are direct, transparent and personal.

This is incredibly ambitious. We’re asking you to help spread the word as we promote our “building the next economy” stories on our website, Facebook page, Twitter (#nexteconomy), and elsewhere.

You’ll find our latest borrower stories in the Building the Next Economy section of our Reimagine Money blog and check out our campaign on Facebook.
Nikki Henderson (People’s Grocery, Shared Gifting grantee) and Cheryl Vasconcellos (Hana Health, borrower) are leading the charge to ensure healthy, quality food for all. Working in two very different locales, West Oakland and rural Hawaii, we decided to bring them together to share their experiences.

**Ted:** Can you both give us a brief introduction to your work?

**Nikki:** People’s Grocery has been around for 10 years now with a mission to improve the health and economy of West Oakland through the local food system. We do nutrition education, gardens, cooking classes and all of the typical individual behavior change activities. In the last couple of years, we’ve moved a bit more toward partnerships and leadership development to build the capacity of people in the community to solve their own problems around food and health.

Our main program now is called the Growing Justice Institute, a leadership development program where we work with people from West Oakland who are really interested in food and health, to co-design a local food project.

Our direct service programming really sits with our strategic partnerships. Two of our top programs include a garden at the California Hotel, which is a low-income housing structure in West Oakland and the “Bite to Balance program” at Highland Hospital in Oakland. Families who have children dealing with childhood obesity or diet-related disease get a free grub box with nutrition education for six months. The hospital tracks their health outcomes to record the changes in their health based on different nutrition behaviors. We’re about to start that up again this year with hopefully 100 families.

**Cheryl:** Hana Health is a non-profit, federally qualified health center that serves the unmet healthcare needs of the low-income Native population in Hana, which is a very small, isolated, rural community.

We’re trying to address the local social determinants of health—high rates of unemployment, lack of education, and lack of a stable, nutritious food supply. So we have several programs in addition to the medical center, which provides the full range of primary care services, dental, and behavioral healthcare.

The Hana Fresh certified organic farm has grown from one acre to seven acres in full production. From this we run a daily farm market for the Hana community where we sell fresh produce and prepared foods.

Our approach to prevention has been on a stealth basis. We make sure we have good food that people will want to eat at the market. We don’t ever refer to it as healthy. We refer to it as really good. And it’s taken off—the community is really enjoying it.

We were operating the full service program in a 75-year-old, 100 square foot kitchen up until we were able to get the building permit for our new nutrition center, which, thanks to RSF, we were able to finish.
Ted: It’s hard to imagine two places that are more different than Hana, Hawaii, population 2200 and Oakland at 400,000 with more than ten times the density. However, both of you are working in the same space—the intersection of food, health, and economic development. Why focus on three things instead of one?

Nikki: In the community we work with in West Oakland, you can’t really talk about anything without talking about economic development. People aren’t going to take us seriously because times are just so hard. People need to have a good job to meet their basic needs.

If we’re talking about health without connecting it to the day-to-day realities, then we’re not going to be relevant. Bringing food into health is part of the inspiration that’s needed when people are living in survival mode. For example, in West Oakland, we just came off of a month of a lot of deaths of young people because when summer comes, temperatures rise, and that’s usually when there’s a rash of killing. August is always a somber time in West Oakland. When you have things like that, that you can anticipate, it helps to focus anything you do with an orientation towards the celebration and healing of the spirit and the soul. It’s a way to stay relevant and to be a positive force in the community. Food is healing to the soul.

Ted: Cheryl, how does economic development manifest in the work you do?

Cheryl: Well definitely in job creation. We are able to provide good jobs to a community that has very few options just by virtue of its size. We know that good jobs are a key determinant of good health.

Our Nutrition Center as well as the Hana Fresh Farm are also economic drivers in this community because the money that’s generated through the programs are pretty much kept within the district. People work, get a paycheck, and spend their money at the local stores, which create additional jobs. That’s actually a big part of what we do.

We also had to look at economic development initiatives out of necessity because the state was no longer willing to fully subsidize the medical center. How could we keep healthcare in the community, when the funds clearly were not going to be there? So, we looked at what we could do on our own that would be mission driven while at the same time creating a financial base to support the health center.

Ted: The Rand Corporation has said that there is no relationship between the type of food being sold in the neighborhood and obesity among children and adolescents. Is this your experience?

Cheryl: I don’t know that I fully accept that. From our experience in Hana, we know that in making fresh produce available to the community, the

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NIKKI HENDERSON
is the Executive Director of People’s Grocery. Nikki began her work in social justice through the foster care system in Southern California, having been raised with seven older foster brothers. She has worked closely with Green for All, fighting for a green economy strong enough to lift people out of poverty and as part of Slow Food USA, in Brooklyn, NY. Nikki holds a Master’s Degree in African American studies from UCLA. People’s Grocery is an RSF Shared Gifting and Donor Advised Fund grantee.

CHERYL VASCONCELLOS
has been the Executive Director of Hana Health since 1997. She is the past CEO of Planned Parenthood of Hawaii and has worked in Hawaii’s non-profit sector for thirty years. Cheryl began her career working with non-profit organizations as a VISTA volunteer placed with the Maui United Way. She attended Wayne State University in Michigan, and Hilo College and Chaminade University in Hawaii, studying Sociology and Business. Hana Health is a borrower of the RSF Social Investment Fund.
early days, the farm and the Association have largely operated on an earned income model. This has made it possible for the delivery of goods, education, and other cultural experiences to grow with the broader community.

The surrounding area of Columbia County, which was once one of the poorest in New York State, is growing into a vibrant local living economy. Most notably, a number of the 60 new farms that have started up in the county in the last decade can trace their lineage to Hawthorne Valley, along with cultural initiatives like the Nature Institute. Although tucked away in a little hamlet in upstate New York, Hawthorne Valley recognizes its work in a larger context and is connected to many individuals and organizations nationally and globally. We feel an especially deep affinity for RSF Social Finance, which was housed on the northern edge of Hawthorne Valley Farm until 1998. While the focus of our work may be local, the consequences of our actions can be global.

Hawthorne Valley is called an Association because of the intention to consciously weave the very distinct yet integral parts of agriculture, education, and the arts into a holistic thriving organism. This means that a governing board of trustees stays in close touch with the varying needs of each of the Association member organizations as well as understands what and how each participant contributes to the health of the others. From an operational standpoint for example, a transactional value chain is created as the farm sells fresh milk to creamery for processing. Through a number of other transfers, the cheese arrives at the Farm Store, to be purchased by the local community or denizens of New York City in the case of the Greenmarkets. This creates one beneficial financial cycle that supports the larger associative economy.

Through this diversity of activities, and through conscious collaboration with the wider community, Hawthorne Valley hopes to expand its contribution as a farm and food hub, and generative cultural engine, towards co-creating a resilient, local living economy. Though it can often be a challenge to balance the more commercially-oriented production enterprises with the learning and research programming, this inherent tension zone, when navigated gracefully and with good will, provides the creative spark that enlivens the being of Hawthorne Valley and spawns the experiences that comprise her rich biography.

It is a high honor and privilege to walk to work each morning to a learning community that is committed to creating a place in which it is possible to become, in a true sense, a full human being. Where people heal through the experience of working with land and each other, working with animals, preparing meals together, hearing the joyful noise of a thriving school community, all in this very special place. That is the primary intention of the Hawthorne Valley Association—to participate in the birth of a new consciousness story, one that tells the human story and the earth’s story in a way that strives to set an example of some of the highest ideals of community.

**MARTIN PING**

is the Executive Director of Hawthorne Valley Association and has been there for more than 20 years. During that time he has taught practical arts in the High School, served as director of facilities at Hawthorne Valley Waldorf School, and served as project manager on several million dollars of new construction projects. For the past nine years as Executive Director, he has focused his attention on developing the working relationships amongst the Association’s diverse enterprises, the 160 co-workers, and the broader community in the Upper Hudson/Berkshire region. He has been instrumental in initiating several new programs at Hawthorne Valley and supporting similar initiatives nationally and globally.
community’s eating habits are changing. We’re tracking how people are eating. And we’ve been able to document that they have increased their consumption of fresh produce by one serving a day.

That’s not a lot, but it’s a step in the right direction. We know that people are eating vegetables who never ate vegetables before.

**Nikki:** What I’ve seen is that if you drop a grocery store into the middle of the community, things don’t necessarily change. People are going to buy the same things in grocery stores that they bought at liquor stores if there’s not engagement around the types of food they’re eating.

We have found that if we just do a nutrition demonstration, that’s probably not enough to change behavior. But if there’s a cooking class in addition to ongoing engagement through the California Hotel, people’s behaviors are absolutely changing.

**Ted:** What can we do to make healthy food more affordable?

**Nikki:** The thing about affordable food is that objectively speaking, producing healthy food is incredibly labor and resource intensive. In the U.S., that incredibly resource-intensive thing that all societies must learn how to do was started the wrong way from the very beginning with the way that we subsidized agriculture using free labor, and we’ve never quite recovered from that.

One of the reasons why I go that far back is because I think the normal foodie’s answer to that is that the government subsidizes bad food, which is why it’s cheaper. That’s absolutely true. But the government has always subsidized agriculture in a way that hasn’t really been healthy for those producing the food or for those eating the food.

There’s a fundamental culture shift that has to happen with the way that our entire monetary system works around food. We need to create a system where everywhere on the food chain there will be monetary incentives to produce quality food as opposed to cheap, nasty food.

**Ted:** Why have you chosen to incorporate enterprise into your mission?

**Cheryl:** I wanted to approach our mission in a bigger way because it would have been very easy for me coming to Hana 15 years ago to just run a small medical clinic that provided decent medical care to the community.

But in a community of this size and nature, and given the native population here, I felt that if we couldn’t have a bigger impact than just operating a clinic in this small little community, there’s not a whole lot of hope for the rest of the world. With Hana Health it really is more than just having a medical center. It’s about addressing the social and economic determinants of health. And of course, we need money to operate. So I think it was kind of natural to start looking at enterprise and economic development strategies for increasing wealth and creating jobs.

**Nikki:** We have to look at the sustainability of a community when it comes to how it’s going to get healthy food forever and not just right now. It’s just so expensive to have a food system that subsidizes unhealthy food, and then an economic system that leaves a lot of people unemployed so that the emergency food system is totally overloaded.

Self-sustainability and financial sustainability was a conversation from the very beginning. That’s actually why I think enterprise has always been a focal point of what People’s Grocery has done, because we don’t want people to be relying heavily on emergency food systems forever. We want them to be able to sustainably get healthy food, so we had to try to figure out a way to do that. That’s why enterprise.

**Ted:** Thank you both.
Join Us at These Events
For the latest on RSF’s participation in conferences and events, check out our “Events” page at rsfsocialfinance.org/connect/events

**BIONEERS**
10/19-10/21/12
San Rafael, CA
http://www.bioneers.org/conference

**FEMINOMICS**
10/22/12
San Rafael, CA
http://www.bioneers.org/conference

**INVESTORS CIRCLE FALL**
10/23-10/25/12
New York, NY
http://www.investorscircle.net

**NETIMPACT 2012**
10/25-10/27/12
Baltimore, MD
http://netimpact.zerista.com

**CONNECTING FOR CHANGE**
10/26/12-10/28/12
New Bedford, MA
http://www.marioninstitute.org

**SUSTAINABLE INDUSTRIES ECONOMIC FORUM**
11/1/12
San Francisco, CA
http://sustainableindustries.com

**GREEN FESTIVAL**
11/11/12-11/12/12
San Francisco, CA
http://www.greenfestivals.org

**SVN HALL OF FAME**
11/13/12
New York, NY
http://svn.org

**SVN FALL CONFERENCE**
11/14-11/17/12
Rye Brook, NY
http://svn.org

**NORTH AMERICAN BIODYNAMIC CONFERENCE**
11/15-11/18/12
Madison, WI
https://www.biodynamics.com

RSF Social Finance is pleased to count New Leaf Paper among its borrowers.

**WHAT’S AHEAD**
The next RSF Quarterly theme is Education & the Arts and it will be published in January 2013. We like hearing from you! Send any comments on this issue or ideas for the next to jillian.mccoy@rsfsocialfinance.org, call 415.561.6156 or

@RSFSocFinance