

## The Garrison Institute Presents: The Common Good Podcast Transcript

### Episode 14: John Fullerton: Regenerative Economics and Living Systems Capitalism

[Please note: Although the transcript is largely accurate, in some cases it may be incomplete or inaccurate due to inaudible passages or transcription software errors.]

[00:00:00] **John Fullerton:** At the end of the day, what I discovered, and I feel very confident that this is true, certainly my truth is that despite all of the progress of what we call modernity triggered by the scientific revolution, we have lived out this story that humans are separate from nature, which as you know very well in indigenous cultures, there's not even a word for nature.

[00:00:27] There's only a word for my relationship with the river or my relation to the trees. But also part of that myth of separation is that I'm separate from Jonathan and there are others, and there's me and the, this sort of rise of individualism has created this, you know, otherness. And that's all rooted in the reductionist logic that Newton taught us.

[00:00:59] **Jonathan FP Rose:** Welcome to the Garrison Institute presents the common good. I'm Jonathan FP Rose. In this series, we'll explore how Interep transformation and systemic change can help us build a more compassionate and resilient world for all beings. Today we're asking what would it mean to design an economy that behaves more like a living system, one that regenerates the conditions for life rather than depleting them?

[00:01:23] My guest is John Fullerton, a former Wall Street managing director who founded the Capital Institute and became one of the leading architects of regenerative economics. His work, including the Landmark Paper, regenerative Capitalism, and his recent book, regenerative Economics, outlines eight principles for an economy that can foster resilience, justice, and health for people in the planet.

[00:01:47] Together we'll explore how these principles can move from theory into practice and how a regenerative approach aligns with the Garrison Institute's vision of a common good.

[00:02:16] John, welcome. Hey,

[00:02:19] **John Fullerton:** great to be with you, Jonathan.

[00:02:20] **Jonathan FP Rose:** It is always wonderful to be with you. So you're really the guy who put the idea of regenerative economics, uh, not only on the map, but made the map that it's on. Uh, and so we're gonna explore that journey and, um, I think it'll be really mind expanding for our audience today.

[00:02:40] So let's begin with the beginning, because you began, well actually, where were you born and where'd you grow up?

[00:02:47] **John Fullerton:** Well, I was born, no, I, I was born on Long Island and grew up in sort of an upper middle class comfortable suburb of New York. My dad commuted into the city. And, uh, so spent my childhood near the water, playing around in boats.

[00:03:06] Pretty comfortable, I wouldn't say privileged, but comfortable childhood.

[00:03:12] **Jonathan FP Rose:** Right. And then you went off to college and then you did what upper middle class suburban kids often did in your generation. They went to Wall Street.

[00:03:21] **John Fullerton:** Yeah. Yeah. Although, you know, it's hard to imagine this today because of what Wall Street is today, but back in the 1980s, Wall Street was a very different place.

[00:03:35] And uh, the truth is I was inspired by a course in college called. The economics of international relations. And so I switched my major from international relations to economics and had this idea that economics would determine the future course of humanity more than politics,

[00:03:54] **Jonathan FP Rose:** which they did.

[00:03:55] **John Fullerton:** That was the big idea.

[00:03:56] Well, it's probably correct and it, yeah, it was, it was correct, but in a sense in the wrong way, or not in the way that I thought it would, but I, I went to Wall Street, I got a job at what was then called Morgan Garity Trust Company, which was a wonderful firm with an amazing culture. And I went there to learn about the global financial system, not thinking I was gonna become rich and powerful, so to speak.

[00:04:18] And, but I, you know, timing is a lot, if not everything in this world. And I sort of caught finance right at the beginning of the, the recent globalization push and right at the beginning of this innovation called derivatives and caught that wave and. Toto London, New York. I was a young hotshot and making more money than I deserved.

[00:04:40] And uh, I kind of woke up thinking, what am I doing with my life after almost 20 years of that? And so I moved into the investment side of the firm out of capital markets into the private investment side of the firm. And in, in 1997, I made an investment in a charter school company. So I was actually thinking about aligning capital and social purpose.

[00:05:05] I was also focused on alternative energy. And so I was already thinking about what's wrong with the capitalist system and how we could use it to do good as opposed to just to make money. So I've been thinking about this project I'm working on now for a long time, I guess is the point.

[00:05:25] **Jonathan FP Rose:** But at some point something said to you, it's time to move on. And what was that?

[00:05:33] **John Fullerton:** Well, you know, honestly, so I left in 2001. The opportunity was a result of the merger with Chase, to be candid. What that meant is all of our stock options vested so we could leave without leaving a pile of money behind. So that made it easier to leave.

[00:05:53] Often people ask me why I was so courageous to leave. I didn't really think of it as an act of courage. But the, you know, the real answer to your question is several years before that, in 1995, I had just been promoted to the globe ahead of a global business. So I was officially a big shot at a young age, and I was on my way to Asia to kind of wave the flag, meet the clients, meet the team.

[00:06:21] And I'm sitting in first class Singapore Air should be happy as a clam. It happened to be Father's Day, and it happened to be Father's Day, two months after my second child was born. And so in all this luxury and big shot, I was miserable because I would've much rather been home with my young family. And I looked down at the New York Times with all the time in the world to read it, which I didn't normally have in those days with two young kids.

[00:06:50] And there was an article about Walter Annenberg. Walter Annenberg was a billionaire media tycoon. He had retired and he had decided to give away most of his fortune, which was front page news in those days. And so the article was about how he had chosen to give it to basically four educational institutions.

[00:07:10] And so the reporter went around and interviewed these institutions and he got to the, the, the last one, which was a secondary school. And if I remember correctly, Ann gave the school \$50 million. And the principal was polite, obviously. But essentially the message was, I have no idea what to do with \$50 million.

[00:07:30] This is ridiculous. And so it hit me at that moment that I didn't want to be that guy. I didn't wanna work on the grind until I was 75 and worn out and out of fresh ideas and then give away money. Be the philanthropist that the culture tells us means you're successful to things that doesn't even really need the money in the first place.

[00:07:51] And it is a longer story than that, but I, I literally, metaphorically quit my job and my career on that day. But it took me several more years to muster up the courage to

[00:08:02] **Jonathan FP Rose:** Right.

[00:08:02] **John Fullerton:** To have the courage to say, I'd rather do something different.

[00:08:06] **Jonathan FP Rose:** Right. And then you and some friends decided to sail across the sea.

[00:08:13] **John Fullerton:** Yeah, so I, I left my job, my career with no plans on what I was gonna do. The only plan I had is I'm gonna take the summer off and decompress. 'cause the culture around a merger is horrible. And I just, I, you know, it took me a while to say no, but it, I just walked away. In fact, I literally fainted in an elevator on my way down.

[00:08:35] After meeting with my new boss, in case I had any question that I was supposed to leave, I had a fever and I literally fainted. I was on the floor of the elevator when I woke up. So the universe was telling me it's time to go. And I took the summer off. And so some friends of mine, knowing I had no excuse to say no, and said, you need to join us sailing across the Atlantic Ocean again, there's a longer story, but the gist of it is, I said yes.

[00:09:02] And, um, six of us set out from Newport, Rhode Island heading to Cows England, which should take three weeks. And, um, about a third of the way there, and I was sleeping down below in a bunk just for the record. I had nothing to do with this. We got hit by a humpback whale apart and he smashed into the rudder, destroyed the rudder.

[00:09:28] We were spinning out of control around in circles. We didn't know how much damage was done 'cause it was underwater. So we, we had the life rafts out. We figured out who was gonna go in which life raft, if we had to abandon ship and eventually. We learned we were not sinking at all and we ended up getting rescued by our good friends in the Canadian Coast Guard.

[00:09:51] Thank you very much Canada. And never sent us a bill, by the way, in the spirit of communal, common good. Put it in those terms. And we got four day towed in Newfoundland, Canada. Very cold place. And there was a guy that came down to the dock, a journalist who had come up from Halifax because he heard that one of the crew members was reading Moby Dick.

[00:10:15] And I had figured what better time to read Moby Dick than crossing the Atlantic Ocean? So there was something very. I don't know, certainly spiritual that was happening that that the, you know, the, the odds of getting hit by a whale are low. The odds of getting hit hard enough to destroy the boat are extremely low.

[00:10:35] And the odds of a banker reading Moby Dick at the time, you know, has to be won in a zillion. And so the, the message of the story of Moby Dick and even Herman Melville has been with me ever since.

[00:10:51] **Jonathan FP Rose:** Mm.

[00:10:52] **John Fullerton:** And just, you know, that's one, that's one thing I just learned, honestly, maybe two years ago. I read his famous short story, Melville's famous short story, uh, Bartleby, the Scrivener, a story of Wall Street.

[00:11:05] And it's a short story about a, basically a law clerk who is essentially. Revolting against the system and the, the menial labor in the system, then it's dehumanizing. And so whenever his boss asks him to do something, he gently says, I'd prefer not to. He doesn't say no. And so his boss doesn't know what to do with him.

[00:11:28] But even that story is essentially what I did, you know, 20 years earlier, is, is I, I said to my career, I'd prefer not to.

[00:11:36] **Jonathan FP Rose:** Mm.

[00:11:36] **John Fullerton:** Um, so the whole thing is quite. Quite interesting, I guess.

[00:11:40] **Jonathan FP Rose:** Right. I'm sure there was not a random strike. I'm sure the whale went after the boat. The, the boat was in his territory and the whale went out in the,

[00:11:50] **John Fullerton:** yeah, the, the, the whale ex experts say that he must have confused us for a, an attractive

[00:11:56] **Jonathan FP Rose:** female

[00:11:56] **John Fullerton:** young woman.

[00:11:58] And he was playing, but he didn't pick up the rudder on his radar. Um, but we'll never know.

[00:12:04] **Jonathan FP Rose:** Got it. So you emerge, you come back to New York City, you are in, and actually in New York City on the day of nine 11. And so you are there at the hinge points of history and you, you go back and you say, I need to study and I need to figure this out.

[00:12:21] I need to rethink this whole thing. And you go into a whole period of reflection and you emerge from that.

[00:12:27] **John Fullerton:** Yeah. Maybe, maybe I just make one, one comment on the, on the, so the second shock was not only did I experience nine 11, that was literally the first day. I got back on the train and went to New York to think about what I was gonna do next.

[00:12:42] Literally the first day I'd been in New York City since I left in April, and I had a meeting at nine 30 in the morning in lower Manhattan, actually with another charter school. I was thinking about getting into the charter school business, and so coincidentally it happened to be on nine 11 and therefore I was in the subway at nine 10 and therefore when the subway stopped, I got out of at City Hall, literally at the moment.

[00:13:07] The second plane was exploding in the second building. So between the getting hit by the whale and now experiencing that my world was shattered, like, what is going on? What does this all mean? Here I am unemployed. I don't know what I wanna do. I don't know why. I don't want to do what I learned how to do, and the world's imploding.

[00:13:28] And oh, by the way, it was the World Trade Center, which was metaphorically all about the global. Economy that I had decided to focus on 20 years earlier. So it was a, it was a, it was a, to use mark Carney's words, a rupture. Oh yeah. And I was 41 midlife crisis. The whole thing. Just, there's, there's sort of like before and after there moment

[00:13:53] **Jonathan FP Rose:** we began to study.

[00:13:55] And what did you learn?

[00:14:00] **John Fullerton:** Um, it's funny. It, it triggered in me a, well, honestly, it triggered in me probably a, a clinical depression mostly about why don't I know who I am, what I want to be when I grow up, but then all of the environmental, you know, the nine 11 implications around it, and it, and in a way that I'd never, I've never been a voracious reader.

[00:14:25] Before that and it, it triggered something that I, I just, I would finish dinner and get in the car and back in the day when there were bookstores, I would go drive to the big bookstore and just wander around the shelves. And I, I would find myself floating between the philosophy shelves, the psychology shelves, the self-help shelves and books would end up in my bag and I would come home with a bag of books and sit and read.

[00:14:55] And in that, and I don't remember who someone must have suggested or sent me Limits to Growth, the Famous Club of Rome study that was written in the nine in 1972 that essentially. You know, it was system scientists running scenarios that essentially said the current exponential growth on a finite planet can't continue.

[00:15:20] The physics don't work. And that was like, in a sense, the third jolt because it just became clear to me that we were, well, we were heading toward what today we call the Poly Crisis. And that was cleared as day to me. It was probably 2003 when I read that book. And so my search and philosophy and spirituality and self-help suddenly was accentuated by this problem.

[00:15:46] And I, I immediately thought my role in the world was to be the Paul Revere because I came out of the world of the big shots and now I had this warning. And so my job was to go tell the people running the world that we're heading for an iceberg. Then the next thing happened, which is they didn't give a shit, they didn't care, or they didn't understand, or that can't be right, or I can't, I, it's too big, John.

[00:16:12] I can't think about that. And they go back to work and go back to doing what we all do. And so I've been living with this, you know, as, as someone who I spoke to about this years ago, said, I've been sort of living as the guy with his hair on fire screaming out the top floor window and all the pedestrians walking by on the street without paying attention.

[00:16:34] So that's, that's sort of the, that motivation that's gotten me thinking about what would be a serious. Response to what we now call the Pali Crisis, recognizing the complexity and dependency we have on the current economic system and recognizing all the good things about the current economic system. So it's not like, oh, it's capitalism is bad.

[00:16:59] Let's be socialists. It's much more complex than that because even the economic philosophy, underlying socialist or more socialist systems, democratic socialism systems, as we see in Europe, have the exact same problem. They're all predicated on exponential growth of the material, throughput of the economy, and the population has been growing.

[00:17:23] So there's a, there's a mismatch between how we humans live on this planet and what the planet can, can physically handle. And then on top of that, the system exacerbates what we now. We call it the inequality crisis. I actually think it's an indignity crisis. Inequality is

like an abstraction that we, that doesn't really mean that much, and it's gotten horribly worse in this last 20 years, but it's still called inequality.

[00:17:54] But it's a different thing than it was 20 years ago. But I see it more as a, as a cause for the violence of indignity. And unfortunately, our system has left certainly more than half the planet with their dignity attacked, if not destroyed.

[00:18:35] **Jonathan FP Rose:** So. I actually see it as a form of colonialization, but what, what, you know, many have pointed out is in the 1970s, uh, when we went off the gold standard, and for a variety of other reasons, the value of labor versus the value of capital, the, the relationship between them, this related and. The value of labor actually has not particularly gone up on real terms.

[00:18:59] Uh, you know, real infl, you know, including inflation.

[00:19:02] **John Fullerton:** Yeah.

[00:19:02] **Jonathan FP Rose:** And the value of money. Money makes money on money. And the whole goal of infinite growth is actually, it's all driven by the guys with money who wanted to make more money on their money.

[00:19:11] **John Fullerton:** Right.

[00:19:11] **Jonathan FP Rose:** Without doing the work. Right. I mean, they may be doing intellectual work, but they're not doing the physical work.

[00:19:15] **John Fullerton:** Yeah.

[00:19:16] **Jonathan FP Rose:** And so the inequality is that money just is sick, skyrocketing in terms of its returns and labor is constant. And now with ai, we're gonna put the labor outta work.

[00:19:27] **John Fullerton:** Right.

[00:19:27] **Jonathan FP Rose:** And the wealthy will have all this money and um, uh, and I don't think they've thought about the other side of the problem, which is there'll be billions of people without work and without.

[00:19:38] The ability to pay for their bills and take care of their families and the ability to buy all the crap the economic system is throwing at them. Yeah. They're trying to get them to buy. So.

[00:19:46] **John Fullerton:** Exactly.

[00:19:47] **Jonathan FP Rose:** So we're on the path to, to, uh, to, you know, our boat is, uh, has been flirting with the whale of the economy and the whale of the economy is on the verge of destroying our rudder.

[00:19:58] **John Fullerton:** We're, we're all Ahab.

[00:20:00] **Jonathan FP Rose:** Yeah. But what's interesting is you not only saw the problem, but you began to turn to nature to find the solution. So talk about that. Yeah,

[00:20:12] **John Fullerton:** so just going back to your point about the money, making money on money, you know, in my dark night of the soul, I recall. Somehow I, I, you know, this is probably later in that period, I discovered there's a discipline called ecological economics.

[00:20:29] And, um, it was probably the, you know, the recognized father of that discipline is a man called Herman Daley, who I was fortunate to know as a friend and a teacher. And, um, he wrote a, a book called For the Common Good, actually, speaking of the Common Good. And he, he wrote it with a theologian, John Cobb. And I remember sitting in my living room couch reading this book into the wee hours of the morning because I couldn't put it down.

[00:20:57] And he introduced this word, cre crema istic. It's even hard to say, which of course no one's ever heard of. And the reason no one's ever heard of it, it is no longer in use. But Aristotle understood the distinction between, you know, in Greek oromia and crem istic, and. Crem listic essentially the use of money to make money as opposed to eia, which is where money has a real use value.

[00:21:26] It's a means to an end, not an end in itself is maybe the best way to say it. And Aristotle understood these are two different things, and he referred to Crem as being unnatural.

[00:21:37] **Jonathan FP Rose:** Hmm.

[00:21:38] **John Fullerton:** And so I don't, I'm not a Aristotle scholar. I don't know if this is true, but I, I, I hold the view that he was an early living systems regenerative thinker because he was thinking about what's natural as in the, as in what exists in the natural world.

[00:21:54] I don't recall what it was that. I think what caused me to get interested in nature, what we call nature, had to be the climate. I went to a conference at Columbia, hosted by Jeff Sachs, where all these climate scientists were explaining in very calm, measured, unemotional, you know, we are really screwed with, with like, I, I remember sitting, I almost shouted, what is wrong?

[00:22:24] Are you serious? This is what you all understand and you're talking about it as if you're talking about, you know, what do you want for breakfast? And so I, I, I came through the climate crisis door and, um. I don't even remember. I, I certainly reading Janine Bennis Biomimicry was an early influence. Um, but it was a, you know, it's not like I went to university and did a PhD in XI actually just absorbed from multiple different disciplines.

[00:22:54] And the cool thing is that they were all pointing to the same thing, which is that. We had, what I, and, and I didn't make this up, Daniel Mn Berger talks about the myth of separation. Right? And at the end of the day, what I discovered, and I feel very confident that this is true, certainly my truth is that despite all of the progress of what we call modernity triggered by the scientific revolution we have, we have lived out this story that humans are separate from quote nature, which as you know very well in indigenous cultures, there's not even a word for nature.

[00:23:36] There's only a word for my relationship with the river or my relation to the trees. But also part of that myth of separation is that I'm separate from Jonathan and there are others, and there's me. And the, this sort of rise of individualism has created this, you know, otherness. And that's all rooted in the reductionist logic that Newton taught us.

[00:24:00] One of my teachers, Stu Kaufman, says, Newton taught us how to think us modern western people. Newton taught us how to think, and we still think in accordance with Newton's reductionist logic. So then you get to what's wrong with the economics? Well, the economics discipline was built on the Newtonian reductionist logic.

[00:24:20] Literally, I can show you in textbooks of Irving Fisher. Irving Fisher built a mechanical machine to simulate the economy. And then, you know, there's so many different pieces of this. Then I had an experience with a man called Alan Savory, who's developed over his lifetime this idea of holistic planned grazing.

[00:24:41] He introduced me to the idea of holism as opposed to reductionism. And all of it's just started to make sense that we run the world on an economic theory. That is built on this false assumption of separation, and it's built on this assumption that the economy is a machine to be optimized for productivity because people care about money as opposed to other stuff, and people don't wanna work because work is literally disutility in the language of Irving Fisher.

[00:25:10] And so it's not that economists are bad people, and they're certainly not stupid people, but we've built the economics discipline on a false foundation, is the punchline. And yet it's become the water we swim in. So even if you say that to a smart, thoughtful economist, my experience has been that, that they, they kind of shrug.

[00:25:31] Yeah. But it's just models, you know, they'll agree with me, but then not see the profoundness of building a global economy on a system that's built on the design of a model. When the global economy is a human economy and humans are not machines, humans are living organisms.

[00:25:50] **Jonathan FP Rose:** But you then we imagine what could an economic system be that actually followed the principles of nature?

[00:25:56] And that's really the basis of regenerative economics, which is to, um, so the thing about Newton is that it was a highly effective way of seeing the world. If you wanted achieve mechanistic aims, it was not. A reflection of the nature of the world. It was just a way of like extracting one little aspect of the world and manipulating it to grow industrialization.

[00:26:23] So I wanna delve now into really the way that, so now you are seeing the world in this more holistic way, but you had to rethink everything. And that a key part of that rethinking was to actually extract some principles of nature and then say, how are these principles aligned with the economy?

[00:26:42] **John Fullerton:** Yeah. So again, very inspired by Jeanine Bennis work she has.

[00:26:49] When you get into studying, we don't even have the right word for it. Like I used the phrase living systems, you could say ecology, but then probably systems ecology is, is more accurate because even biology and ecology was influenced by the Newtonian. You know, let's start and understand a bird, right? And then the parts of a bird, and you're back in reductionist, right?

[00:27:11] Thinking. So. You know, through a not particularly organized synthesis and search from many, many scholars about how life works, combined with this experience with Alan Savory and his team watching this holistic management idea work on the living system we call the grasslands. So it was, it was a very concrete foundation that I've then essentially abstracted to the global economy as opposed to an abstract idea to begin with.

[00:27:45] And then you could do the same thing if you started in permaculture. You could do the same thing if you started in holistic health for the human body. But what it, the innovation was to extract it to the global economy. And so I came up with eight first principles. They're not ethical principles or they're not operational principles, like be honest or work hard.

[00:28:07] They're design principles. So for example, one of them is In right relationship, which actually is a Quaker term that I got from Peter Brown, one of my teachers who wrote a book called In right Relationship. And that idea is, is very common sense that in living systems, the parts are in symbiotic relationship with each other.

[00:28:30] Win-win relationships, even the violence in what we call the natural world, has a symbiotic relationship. But that that principle extends from the microscopic to the cellular to the organs in a body. Literally all the way up to the cosmic, you know, the earth is in right relationship with the sun or we're not having this conversation and the moon is in right relationship with the earth and the sun, or we're not having this conversation.

[00:28:57] So it's a first principle that describes, it's a pattern that describes reality. And so all of these eight principles are my best attempt using the reductionist method to break 'em into parts. So we can talk about 'em to describe the first principles, the design principles of how life works. And they're by no means correct or true, or the answer, they're incomplete, but they're my effort to do it.

[00:29:22] Just like if you and I looked at the same tree and painted it, we'd have two different paintings. So there, there's a great Buddhist expression. You'll correct me. The, the fingers pointing at the moon is not the moon. The these principles are, are fingers pointing at the moon.

[00:29:38] **Jonathan FP Rose:** So first of all, they may be eight principles, but if you view them together as like eight aspects of one unity, of one holistic organism, then they make a lot of sense.

[00:29:52] And, uh, and they think about right relationships. So it's not only a Quaker phrase, but it's the way indigenous people speak. Indigenous people speak deeply about being in relationship with each other in relationship with nature. They use the phrase, all my relations as a way of describing,

[00:30:09] **John Fullerton:** right,

[00:30:10] **Jonathan FP Rose:** the wholeness of, of life.

[00:30:12] And one of the key flaws with the current economic system is by creating this idea of what's internal must external and ignoring the externalities, it literally ignores the relationships. And not only does it ignore relationships, simply not count them, but it ignores the relationships that actually give birth to them.

[00:30:34] So, you know, if the bounty of. The climate and the bounty of nature and all the wondrous things that the earth has created and grown are the substance that they're what creates our food and our building materials and our energy and everything else. And we can only exist in relationship to all those things, but if we ignore our impacts on those, it's just stupid.

[00:31:03] I mean, it's just like, you know, purposely being blind. Right. Anyway, the bottom line is the right relationships is not just a way of viewing the world. It is the way of the world. It actually is reality.

[00:31:15] **John Fullerton:** Yeah. I mean, I, you know, I'm, I'm hesitant to, to use the word true and truth, right? Yeah. Because who, you know, none of us knows truth.

[00:31:24] There's a, another one of my teachers, Bob Ovitz, who's a systems ecologist, he uses the expression that. In ecology, there are tendencies toward truth, right? So it, you know, there's a tendency for men to be larger than women, but that doesn't mean all men are larger than all women. So it's a pattern, it's a tendency.

[00:31:45] And not everything in the natural world is in right relationship. There's all kinds of chaos in the natural world, but step back to 30,000 feet and it's, it's a magical, intelligent, ever evolving system. And you, you pointed to something important. These eight principles are not like an a la carte menu.

[00:32:04] They are designed, the only reason we break it into eight or four or 15 is to, so we can talk about it and, and communicate and understand it, but the power is that they all work symbiotically together in right relationship. And then the final point is that this isn't just another expression of environmentalism.

[00:32:25] Oh, don't pollute the river. Don't tear down the trees. The point is, and this is why we use the word potential in the regenerative paradigm as the essence is, that if we are in relationship with these patterns and principles, we humans and our, our economic system, how we engage on this planet and produce our goods and services to thrive, if we participate in this regenerative process as opposed to be in conflict with it, there's no reason not to think that we will manifest potential just like the living world does that we can't see today.

[00:33:07] And so for example, when you and I were born, there was no such thing as the internet. And if we were having this conversation, if we had all the insight we have today, and we

were having this conversation and we said, well, one of the principles of living systems is they have this in my language, robust circulation metabolism.

[00:33:28] Not just of matter and energy, but of information. We would say, wow, how are we gonna have that happen across in the future? There's gonna be 8 billion people. How are we gonna circulate information, which is foundational to the human project across 8 billion people. And no one could have imagined there'd be this thing called the internet, but magically the internet emerged.

[00:33:55] I don't even know the story as how that really happened. I know darpa, blah, blah, blah, but it magically emerged. So the internet is actually the regenerative economy. We just don't see it as that. We see it as technology, and then we see all the problems. It's created.

[00:34:08] **Jonathan FP Rose:** Well,

[00:34:09] **John Fullerton:** it's, but that's not the Internet's fault.

[00:34:10] That's because we've allowed business models that are degenerative and extractive to use the internet for free.

[00:34:17] **Jonathan FP Rose:** Yeah. The, you know, the internet is an integrating information function. I, I wanna go back to something you said earlier. You said that most things in nature, in right relationship, but not everything, and there's chaos.

[00:34:31] I just want to give you an example because the point is that everything is in relationship. That, that is, that is, we can call it the truth or not, but it's inviable.

[00:34:40] **John Fullerton:** Mm.

[00:34:40] **Jonathan FP Rose:** So one of my favorite examples is in 1600, uh, huge volcano blew up in Peru. Mm. And it put all this soot into the air. And the air, the soot reflected the sun.

[00:34:51] And so we had a freeze. Uh, particularly in northern Europe in the following two winters.

[00:34:57] **John Fullerton:** Hmm.

[00:34:58] **Jonathan FP Rose:** And because of the freeze, because at the time the Russians were so exploiting their serfs and they were taking all the profits that came from the farms and immediately selling it to buy Chinese silks and pretend to be French, and all that stuff that the peasants starved.

[00:35:13] And over half the Russians died and the PE went into revolt. And the pols who didn't want chaos on their border invaded Russia and installed the Romanoff family as, uh, were the puppets as the head of Russia. And they were the family that ultimately lost in the Russian

Revolution. Okay. So the point is that look at all this interesting event, but it was because everything was tied together.

[00:35:40] **John Fullerton:** Right.

[00:35:41] **Jonathan FP Rose:** It was because the volcano in Peru blowing up.

[00:35:44] **John Fullerton:** Right.

[00:35:45] **Jonathan FP Rose:** Everything was tied together.

[00:35:46] **John Fullerton:** Right.

[00:35:46] **Jonathan FP Rose:** And so it's essential to see the world that way.

[00:35:50] **John Fullerton:** Yeah.

[00:35:51] **Jonathan FP Rose:** Then you can look at what is the right relationship and um, you know, how things interconnect and how things balance. And so for example, we now know that trees in a forest, they generate all this wonderful carbohydrates through their leaves and through the power of the sun.

[00:36:08] And they use about 40 to 60% of that for themselves. And about the other 40 to 60% they share with the other trees. So that's an example of, so nature also does give us models of what is right relationship in terms of the balance of the self and others. And that leads us to your second principle, which is to view wealth holistically.

[00:36:29] So tell us about that.

[00:36:31] **John Fullerton:** So, you know, as a. If the context that we're talking about is, is a human body, that wouldn't necessarily be, well, maybe it would, but the, the point is, the context I'm talking about is the global economy and money is such a central and powerful dynamic in the modern global economy that the issue of wealth is fundamental.

[00:36:58] And what do we mean by wealth? And the, the language I use, holistic wealth is obviously a little bit of a mishmash of a couple ideas, but you know, in simple terms, money does not equal wealth. That's one way to understand that principle. And there's been a lot of work done in the business world about multiple capitals.

[00:37:20] You know, there's. There's financial capital, but there's also the built capital, like the buildings you build. There's also relational capital. There's what we call natural capital, meaning the, the living world, nature, social capital, spiritual capital. And um, you know, we could go on and on and on. The point is that, um, wealth is some complex integration of these multiple ideas as opposed to money.

[00:37:49] And yet, as I mentioned earlier, the economics discipline was built on the idea. That the point was to maximize money because money was the path to prosperity, and so that's a

reductionist idea. It's not that having money in a modern economy is bad, it's just that it doesn't bring us happiness, which we all know intuitively.

[00:38:11] So that's what that relates to.

[00:38:13] **Jonathan FP Rose:** So it seems to me that wealth in many ways is the reserve. So we know that when systems are totally optimized for maximum efficiency, they become actually very fragile and vulnerable to volatility.

[00:38:28] **John Fullerton:** Hmm.

[00:38:29] **Jonathan FP Rose:** And so the solution the nature's come up with is the idea of reserves.

[00:38:33] That there's extra, that there's a capacity for when things slow down, when volatility comes, that nature provides for this balance of optimization and reserve, which in good times, reserves can look like a waste, but they're really what gets you through. So they add system stability. They're actually essential for system stability.

[00:38:55] Yeah. And so a financial system actually wealth and balance seed is what anchors

[00:39:01] **John Fullerton:** Yeah.

[00:39:01] **Jonathan FP Rose:** An organization through instability. So, and then if we expand, our sense is all those things that give us reserve. And one of the ones that is least available in this contemporary culture is the wealth of time, is to actually have time and space to contemplate, to think, to plan to,

[00:39:23] **John Fullerton:** yeah.

[00:39:24] **Jonathan FP Rose:** But anyway, you've described these, all these wealths, there's a spiritual wealth, there's a material wealth, there's the Nath Wealth of nature.

[00:39:30] **John Fullerton:** Yeah. Time is a good one.

[00:39:31] **Jonathan FP Rose:** Yeah. And so we need to build a system that is not maximized, but one that I'm gonna keep returning to something that you then introduce in your new book, which is the idea the Commons.

[00:39:43] And part of it is that we need to not only feed things to ourselves and our relations, but to the, the aggregation of all relations is the commons.

[00:39:53] **John Fullerton:** Mm.

[00:39:54] **Jonathan FP Rose:** And we actually need to be building the wealth of the commons for us to have a stable foundation.

[00:40:17] Your next point is about innovation, adaptation, and responding.

[00:40:22] **John Fullerton:** Yeah. Lemme make one point on the, what you just said very well. The balance of, you know, in my language, efficiency and resiliency. This again, is empirically proved by again, Bob Ovitz in his book and in you can Google this, uh, he's developed this, what he calls a window of vitality.

[00:40:44] And this was one of these, I used to go around with a, you know, with my PowerPoint slide and I'd have it. A diagram of this picture, of the window of vitality. And on this slide proceeding it, I would, I would introduce it as the most important chart in the world, because of course, our neoclassical economics is organized and designed, and the mathematical models are designed to optimize efficiency because we think of it as a machine and just as you said, the, the buffers, the surplus is seen as waste.

[00:41:17] Like putting a spare tire in a car costs money and weight, so that's wasteful. Well, it turns out it's a good idea to have a spare tire in a car. But the pursuit of efficiency as the, you know, the purpose of the economy and the logic of globalization and the logic of the European Union and the logic of so many things we've done.

[00:41:40] The logic of derivatives, the logic of securitization. Was all the pursuit of efficiency for either, you know, profits of a business or profits on return on capital. But in living systems, there's this window of vitality where we balance efficiency and resiliency, and in fact, it's skewed toward resiliency.

[00:42:01] And in fact, the more volatile the context, the more skewed toward resiliency. It naturally gravitates to. So again, the reason why the theory that we run the world on is so important is that it's got the wrong objective because it's got the objective of a machine. You want a machine to be as efficient as you can, but you don't want your body to be as efficient as you can.

[00:42:22] 'cause it'll break, it'll be too brittle. And the financial crisis is proof of that. The, uh, Russian oil or natural gas cut off natural gas to Germany is an example of that. The supply chain brittleness that we discovered in the pandemic is a consequence of that. So all of these things that we see as problems were actually designed into the system on purpose because we run the world on the wrong theory.

[00:42:48] **Jonathan FP Rose:** Right.

[00:42:48] **John Fullerton:** So getting out to, what was the next one? Uh,

[00:42:52] **Jonathan FP Rose:** so the next one was innovation, adaptation, and responding.

[00:42:56] **John Fullerton:** Yeah, so one of the great things about our current economic system is that we have this incredible entrepreneurial spirit, and we, particularly Americans, are particularly entrepreneurial, you know, in some innate way.

[00:43:11] And the success of Silicon Valley in many ways is incredible. But if you study how living systems work, they too are innovative. They're always innovating in a sense, but they're not just innovating for the Sakya of innovation or the Sakya of making money. They're innovating in a way that is adaptive and responsive to the ever-changing context.

[00:43:36] Literally when there was too much oxygen in the atmosphere. Life innovated, photosynthesis, or sorry, too much carbon dioxide in the air. I forget how this works. Life innovated photosynthesis and turned carbon dioxide into oxygen, or whatever that story is.

[00:43:54] **Jonathan FP Rose:** Wait, wait, wait. John, this is very, actually very important because the oxygen bond is a higher energy bond than the carbon bond.

[00:44:03] And so the ability of life to form complexity was only capable when there was enough oxygen in the air. And also just interesting about that story, when the amount of oxygen rose in the air, it was poisonous to some of the current life. And so it killed off a whole bunch of the current life. Yeah. And gave birth to a whole higher order or more complex order of life.

[00:44:26] **John Fullerton:** Yeah. So it complexified, it didn't simplify it complexified organically, naturally, magically, whatever word we want to use. And so the innovation is critical. But actually one of my students in, in my course pointed out, 'cause you know, now innovation is associated with all the problems of big tech, right?

[00:44:45] So it, it's not innovation that is the principle. It's innovation that is adaptive and responsive to the context that enables life to continue. Complexifying, complexifying is a system science word, meaning in a good way. It's not, you know, complex is one of these things that can be a good or a bad, but maybe evolving to higher levels of being, which by the way has been happening according to the cosmologists now for 14 billion years.

[00:45:13] It's, there is an arrow of time. It's not random. It's, we're directionally heading in this higher order. And so if we want to continue that. Given the footprint that the human economy has on life, on this planet, then the human economy needs to participate in that innovation that is adaptive and responsive, not extractive and destructive.

[00:45:35] And unfortunately, we run our businesses on the same Newtonian logic, and I'm exaggerating to make a point, but Taylorism, the foundation of business management was built on the same Newtonian logic of a machine. And so we use expressions like dial this in, move the needle, optimize productivity. And so that's what big tech has mastered brilliantly at the expense of everything that we care about.

[00:46:01] So we've now got, you know, social media that's destroying the health of our children because we're extracting and maximizing profitability as opposed to using the innovation in a way that adapts and responds to the need of the system. Great.

[00:46:18] **Jonathan FP Rose:** I just want to weave back that this increased complexity is increasing relationship.

[00:46:25] And that complexity can either be in right relationship and you know, Janine Bennis, who I did a previous podcast with, has this beautiful phrase of life crease to conditions conducive to life. And you can really use that just as a screen for everything.

[00:46:39] **John Fullerton:** Exactly.

[00:46:40] **Jonathan FP Rose:** And if the increased complexity enhances the conditions conducive to life, then you know you're on the right path.

[00:46:45] **John Fullerton:** Exactly.

[00:46:46] **Jonathan FP Rose:** And if they undermine the conditions conducive to life, then you know you're on the wrong path.

[00:46:50] **John Fullerton:** And if you're managing a business or any organization and you're not starting with how do I increase, how do I create conditions for health? Think of it as a healthy organization. The organization is a living organism.

[00:47:06] So rather than what are my goals, what are my metrics, uh, how about what am I doing to create conditions for health? In order that the organization manifests this regenerative potential, which I won't plan in advance because it's not plannable in advance.

[00:47:24] **Jonathan FP Rose:** So your next principle is about ensuring empowered participation.

[00:47:27] And again, if everything is in relationship, then you want all the atoms of relationship, atoms even the wrong word. It is so Interep our language is, makes it so difficult. Yeah. But all the nodes of activity, you want them to all, and the humans and all the relation, all the species you need to empower them to equally participate or else you get this distortion.

[00:47:50] **John Fullerton:** Yeah. The, the analogy I like to use to, to describe this one is, you know, think about our own bodies. We have a circulatory system that circulates oxygen and think of money as oxygen in an economy. If you starve a community of money, it's, and it may not die, but it gets very unhealthy if our body starves our feet of oxygen.

[00:48:17] If our feet are not empowered to participate in the circulation of oxygen, it's horrible for our feet, they'll die. But if our feet die, it's horrible for us too. So the point is that this is not the ethical argument to address inequality, even though I agree with the ethical argument to address inequality.

[00:48:37] This is science. This is the law of gravity. This is if you want a healthy system. All parts of the system need to be empowered to participate in, not to benefit from only, but to participate in meaning to contribute to the health of the whole. Our feet contribute to our wellbeing. Therefore, the half of the population that has been disempowered to participate in the global economy, and it may be more than half, but it's certainly half is damaging, not just to those people, but it's damaging to the health of the whole.

[00:49:12] **Jonathan FP Rose:** Right?

[00:49:12] **John Fullerton:** And hello, the migration crisis, the populism, what's happening in this country is actually the proof that that is a first principle And that we need to deal with it, not because of any, you know, woke political view, but because it's destroying the health of the whole.

[00:49:32] **Jonathan FP Rose:** Hmm. So your other principles are honoring community in place, discovering the edge effect of abundance, which is really interesting because what you've observed in nature is the most vibrant places that are the most creative and have the most species.

[00:49:47] And where we see the most biodiversity is often where two systems come together, ensures robust circulatory flow, which we've been talking a lot about and seeks dynamic balance. So you came up with these eight principles. You put out an amazing white paper in 2015.

[00:50:03] **John Fullerton:** Yeah.

[00:50:05] **Jonathan FP Rose:** A lot of people read it. A lot of people loaded it.

[00:50:07] You gave birth in an amazing organization called The Capital Institute. You've been teaching these ideas. These ideas have been spreading throughout the knowledge sphere. And more and more people, we need still to get even more and more, but more and more people have been sharing your AHA in a way. Not only communicates the ideas, but communicates the understanding of being behind the ideas.

[00:50:33] You've now turned, you've taken these ideas and you've now just published a new book on regenerative economics, that it starts with these ideas, but then you move forward into the John Fullerton 2.0. So I wanna talk about the John Fullerton ideas of 2.0. Where are you going?

[00:50:50] **John Fullerton:** Well, let's see. Um, I guess the first thing I did in the book was to try to, 'cause now this word regeneration is kind of everywhere, at least in the.

[00:51:01] In the little bubble that we exist in of trying to fix the global system as opposed to conquer it or extract, exploit it. But there's a lot of confusion about the term and, um, and so the first thing I did is try to explain the term, you know, what it means scientifically and, and in very simple language, regeneration is the process that describes how life works.

[00:51:23] It's not a new word for sustainability, it is a. Scientific explanation. It's a process. The word process is really important. And so I try to differentiate it between a lot of different ideas that are cooking. And the point of that is not so much to say, oh, this is better than that. What I see as doing is it encapsulates much of the work that's happening in the, let's call it sustainability movement, but then it extends it further and it, it extends it in particular beyond this materialist Newtonian paradigm.

[00:51:58] And that's what gets very tricky because that's then perceived in our materialist Western culture as. You're talking about the spiritual woo woo stuff, and somehow people think that it's either a machine or it's woo woo when in fact, no, there's this thing called life. So I, I joke that there's three things.

[00:52:19] There's the reductionist, you know, logic of a machine. There's the holistic design of life, and then there's consciousness, which you know, you and I have discussed many times is really the thing. So three things are really one thing, and you, and people like Jude Caravan have educated me that sort of consciousness sits below all of this in a way that, you know, is just foreign to our Western thinking, but is foundational to much of non-Western thinking.

[00:52:53] So there's an integration happening as opposed to a better, worse othering. So I talk about that in the book and then. I in particular try to differentiate regenerative economics from ecological economics, which again, it's very much, you know, building on and continuing the logic of ecological economics.

[00:53:13] And then I introduce, I guess, well, three ideas. One is this idea of the commons as a sector at an institutional scale, drawing heavily on, in particular Peter Barnes' work. And this is a whole huge conversation. The gist of it is that I was, you know, wrestling with. So the challenge is, okay, you got this vision thing, but how the hell do you ever make this work in practice?

[00:53:41] And one of the things about a regenerative system is that it's self-organizing, self-governing, self fueling, to use the famous New York, uh, community,

[00:53:53] **Jonathan FP Rose:** Jane Jacobs,

[00:53:54] **John Fullerton:** Jane Jacobs, she had used the term, in fact, Jane Jacobs, you could argue, was the original regenerative economics thinker. Uh, she didn't use the term, but she definitely got it.

[00:54:03] And, um, she uses the term self fueling. And so the idea of a self-governing, self fueling system as opposed to being dependent on regulations was very appealing to me. 'cause I know, well how difficult it is to design regulations that do more good than harm. Peter Barnes's work was really, which again, is building on Eleanor Ostrom's work.

[00:54:27] Many, you know, this is not a new idea building on indigenous reality, but the idea that we don't have a, a sector called the Commons is like, to me, a, an obvious problem. And we designed the current global architecture in the wake of World War ii. The context was radically different. No one knew anything about the Pali crisis then, or at least very few people, if anyone did.

[00:54:52] And the context was rebuild after the war and make sure wars don't happen again. Whereas the context today is we're destroying the planet. Planetary boundaries are being breached. The economy is way too big to run by individual meetings. We run it through our institutions and we have this massive institution we call the private sector.

[00:55:12] And we have a massive institution we call the public sector, and we have the civil society sector, but we don't have a sector. For the commons. And when I'm talking about commons, I'm talking about not just the natural commons, the Amazon, the rivers, you know, the atmosphere, the fisheries, but also the technological commons.

[00:55:33] And again, this is not a new idea. Herbert Simon and Nobel economists, who I quote in the book proposed that he, he, I'll just read a a sentence. He proposed Nobel economist Herbert Simon, who some call the father of artificial intelligence has posited that if we are generous with ourselves, we have, quote, earned only about 20% of our wealth.

[00:55:58] The rest, according to Simon, is patrimony associated with being a member of an enormously productive social system, blah, blah, blah. So the point is that Amazon, the company would not be possible without the microchip, the computer, the internet. The book, the roadway system, the airports, the airplanes, et cetera.

[00:56:22] And yet Bezos, with all of his entrepreneurial genius is allowed to use all of that human productivity without having to, in a sense, pay for it and without having to protect it. Just like a forester could go in and cut down trees in a, in a forest and take all the money.

[00:56:42] **Jonathan FP Rose:** And one of the ways we theoretically do that is with taxes, but the very wealthy avoid taxes.

[00:56:48] So Peter Barnes calls this co inherited Wealth.

[00:56:51] **John Fullerton:** Wealth, yeah.

[00:56:52] **Jonathan FP Rose:** And, and the co inherited comments. And what he's saying is that in many ways we have co-created it or we've invested in creating it. But these are amazing things. The climate in air oxygen itself, if you think that is co inherited commons that we all have this amazing benefit from, but that we have a moral responsibility we need to live in Right.

[00:57:14] Relationship with the co inherited commons. And we need to both recognize that not everything is private, that there are these commons and we need to work towards the common good. And this is hugely important because again, it repositions the relationship between what we call the individual and the whole.

[00:57:33] **John Fullerton:** Yeah.

[00:57:34] **Jonathan FP Rose:** And, um, we've seen this, all indigenous cultures recognize a moral responsibility to the whole. And it's, uh, you're saying it's about time We did too.

[00:57:45] **John Fullerton:** Yeah. But I'm, I'm, yes. And. I'm trying to, uh, show that this is not just a moral, I mean it is a moral issue and yes, we shouldn't destroy nature, but the way I very back of the envelope calculated it, what we include and define as private wealth is, you know, again, very rough calculation.

[00:58:10] Yeah. Only 13% of our true wealth,

[00:58:13] **Jonathan FP Rose:** right?

[00:58:13] **John Fullerton:** So we're running an economy on 13% of the abundance that we have, as opposed to using a hundred percent of the abundance and caring for it. And if we did that, we would solve the inequality crisis.

[00:58:27] **Jonathan FP Rose:** So wait, wait, John, we are using the abundance. We're abusing the abundance.

[00:58:31] Yeah,

[00:58:31] **John Fullerton:** fair point. So

[00:58:32] **Jonathan FP Rose:** I, you know,

[00:58:33] **John Fullerton:** we're using it for free and destroying it.

[00:58:35] **Jonathan FP Rose:** Right? So I wanna go back to the very. Source of this, which is in prior to 1066 in England, there was a great sense that the commons, and even though there were kings, people shared land and they grazed on the common land and all that stuff.

[00:58:49] Anyway, the bottom line is that the Normans invade and they privatize a whole lot and there's still some commons. And then. For a variety of reasons. It becomes clear to the English lords that they can make more money grazing sheep than they can, having the farmers be subsistence the way they used to be. And so they enclose all these commons.

[00:59:07] They just take the commons and say it's mine. Put fences around it. Hire a few people to be the shepherds of the sheep, kick the rest off and they create vast poverty. All those people move to the city and they're poor and they're beggars and they have nothing to do until industrialization comes along and gives them cheap wages.

[00:59:24] But they literally took, there was a commons, it was understood. There was a social, cultural way to live on the commons. And they just set us mind. And we're seeing that, uh. Endlessly in this whole, the whole economic system. And one of the things about the tech growers and the tech giants is they are now, they're now even trying to privatize our own minds.

[00:59:50] Yeah. And that's what social media is really trying to do is privatize our minds, kind of get their fingers into it, colonize it, and then sell it.

[00:59:58] **John Fullerton:** Yeah. And artificial intelligence is in a sense, they're, they're saying, oh, I'll have that too. I'll have the cumulative cultural history of humanity and I'll monetize that.

[01:00:09] And so if we had the, again, why theory matters. If we, if we theoretically had a concept of the commons as part of the architecture, we could then have a debate about how do

we manage the internet? How do we manage this? How do we manage that? What institution do we need to create? To govern these different commons, who will they be accountable to?

[01:00:33] How will they enforce it? All of these questions we are not even asking because we've got the wrong architecture. And the reason we have the wrong architecture is we have the wrong theoretical foundation,

[01:00:44] **Jonathan FP Rose:** right?

[01:00:44] **John Fullerton:** Born of the myth of separation. And so that there's a lifetime of work to figure out how to redesign this thing.

[01:00:52] And you know, what you learn in system science is that systems change in response to pressure. So now we have pressure and we have Mark Carney's rupture. And so now is the time that we actually have a chance to redesign these systems because we're living in the, in the rupture.

[01:01:12] **Jonathan FP Rose:** Interestingly, that. Our current president, who is a, even, I think he himself likes to be Mr.

[01:01:21] Chaos, is dramatically increasing the chaos that was already emerging in the system because the system was breaking down because of all these reasons why the system was wasn't working anywhere, which is giving rise to the Pali Crisis. So he's creating the cracks that allow for something more regenerative to be born.

[01:01:38] Many things can be reborn. Yeah. And this is a moment to really promote these ideas in this way of understanding and these solutions, because there's more chaos than ever before, but there's also more opportunity for a mind shift than there ever was before too.

[01:01:51] **John Fullerton:** I keep telling myself that.

[01:01:53] **Jonathan FP Rose:** Right. So what are you doing to give birth to this new mind shift and how can we all participate?

[01:01:59] **John Fullerton:** Well, you know, I wrote a book, um, I run around flogging a book, but, um, you know, I, I'm part of a network we call the with Life Network. You know, the word regenerative is starting to get abused. So the whole idea is that we need to think about participating with life. And so my little role in this, I've chosen and concluded, is largely focused on education.

[01:02:24] I think this, this paradigm shift begins with seeing, in a sense it's a revolution in how we see what everyone sees. Uh, it's not a revolution in a new discovery, it's a revolution in seeing things through this living systems lens as opposed through the Newtonian mechanistic lens.

[01:02:41] **Jonathan FP Rose:** Hmm.

[01:02:41] **John Fullerton:** And, you know, that's my role to play.

[01:02:43] I could talk about 15 other things that I'm sort of involved in, but that's what I've chosen to, to focus on. And so far, I'm, I'm really proud to say we've got over 2000 alumni from 80 plus countries in the world that are. Not only taking courses, but then moving those ideas out into the world. One of them I talk about in the book, there's a regenerative technology project.

[01:03:06] I think I titled it, you know, regenerative Technology and Oxymoron, question mark. But you know, obviously technologies plays a huge role in this and we need to harness and use technology in a way that's aligned with these principles as opposed to exacerbating the extractive problems, the, the mechanistic problems.

[01:03:25] That's a huge challenge because the people that run technology companies are obviously really good at the analytical left brain, Newtonian logic and, and they're very powerful now and then of course, because I come out of finance, I'm spending a lot of time rethinking the financial system and the future of what finance needs to look like.

[01:03:47] Which is another huge, enormous task. One idea from that I'll just share is if we think the way living organisms work and the entire biosphere works, there are these macro cycles, right? The carbon cycle, the water cycle, the nutrient cycle. So if you use that as a design principle of these cycles that ensure the balance and the health of the whole system, and now we shift to an economy that's basically built around the flow of money.

[01:04:18] Money is the oxygen. There's no money cycle. There's no capital cycle. That's not a thing yet. So we need a thing called the capital cycle. And philanthropy is like a little bit of a, a gesture in that direction, but it's woefully inadequate to serve as the balance restoring purpose of a true macro cycle.

[01:04:43] And so I'm in the process of. Rethinking finance so that a capital cycle can exist and what incentives would be required. But this gets back to my airplane ride and the Walter Annenberg story. You know, that's not the capital cycle we need and when, I don't know the statistics, but when you know, more than half of the wealth of the planet is held by a handful of individuals, and when Sovereign wealth funds that have benefited from having to discover oil in their backyard sit on that pile of wealth as opposed to it cycling more effectively, the logic would be that the system can't possibly stay healthy.

[01:05:23] There's many lifetimes of work to do to think about how to actually translate this theoretical foundation into practical work. But it begins with what Dana Meadows, uh, the author of Limits to Growth and the, and I dedicated the book to Dana. You know, she says, if you wanna shift a system, the most important piece is to shift the paradigm, uh, the worldview within which the system exists.

[01:05:47] And we live in a worldview of Newtonian reductionist logic. And so my work is very much focused on shifting that to a holistic living systems worldview that actually aligns the science of living systems is aligned with our ancient wisdom traditions. And so, again, not to call

it truth, but the odds of our latest 21st century science affirming the intuitions of our most ancient wisdom traditions is too magical to not be at least directionally correct.

[01:06:22] **Jonathan FP Rose:** So John, we're gonna end with that. Thank you so much for this. Journey through the regenerative world and and how we can better come to understand it. And I encourage all who are listening to buy this wonderful book and to read it and then to figure out that you can join John and his courses and join the Capital Institute and join their mailing list.

[01:06:44] But I also encourage you all to think about how you can apply these systems in your own life and in your own work. So thank you so much John, and I look forward to seeing you soon.

[01:06:55] **John Fullerton:** Thank you, Jonathan. Always a pleasure.

[01:07:02] **Jonathan FP Rose:** Thank you to our guest. John Fullerton. The Common Good is a production of the Garrison Institute and is hosted by me, Jonathan FP Rose. We'd love to hear your thoughts about the podcast. Please send us a note at [podcast@garrisoninstitute.org](mailto:podcast@garrisoninstitute.org) and let us know what you think. If you've enjoyed this episode, please consider leaving a positive review on Apple Podcasts.

[01:07:26] This show is produced by the Garrison Institute with production and marketing from the Podglomerate. Its theme music was composed by Jonathan FP Rose, and performed by Jog Blues. We look forward to being with you again soon.