

# Intro to Permaculture Regenerative Investments Video Transcript

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## *Music*

Speaking of investing, let's look now at types of investments; the way we use the capital that we do have. The first type of investment is where we spend resources on something and that thing degrades over time. We call that a 'degenerative' investment. A car is a good example. You purchase a car. The moment you drive it off of the car lot, the value has gone down. The car performs a service, it gets you around, but it spews out carbon monoxide in the process. Parts break on the car, and you fix them. You spend money on gas, oil, transmission fluid. More things break, you fix them. And one day, the car is dead, and much of it ends up in a junkyard. Aside from some very special circumstances, you never get your money back out of a car at the end of its life. Your investment has degraded [degenerated].

Next, we have a 'generative' investment. A generative investment is where you put resources into an investment, and then you get back out according to the effort you put in. Annual agriculture is a lot like that. You prepare the soil. You plant the seed. You weed, water, fertilize, and harvest. You've gotten the corn back out according to the resources you put in. But when next year rolls around, if you don't do the work again, you won't get the corn. It will not plant itself, and the field will be taken over by some other plant if you just leave it. That is a generative investment; you put in, you get out, and you're back to where you started.

The last type of investment we'll look at is called a 'regenerative' investment. This is an investment, which actually gets better over time. Let's take a fruit tree for example. A fruit tree planted in a good spot where it has the conditions it needs to grow will have increasing yields year after year for many years, depending on the type. You need to prepare the place, invest the time and effort to plant it and see it through to establishment, but then it grows year after. In fact, some day you could be gone and your children or grandchildren can still be enjoying the fruit. That tree actually gets better every year, and it provides shade, habitat, and a windbreak. It holds the soil, it produces wood, leaf mulch, and kids love to climb them. That is a regenerative investment and that's just the type of investment we want to maximize in a Permaculture system, where we get the most long-term benefits from each of our investments.