

THE LONG CLOCK · CHAPTER ONE

# Two Sentences

*Chapter One of The Long Clock*

Ammanuel Santa Anna

Santa Anna, A. (2026). Two Sentences. In The Long Clock (ch. 1). Luminous Prosperity Inc. https://doi.org/10.5281/zenodo.23989074
Luminous Library Licence 1.0 · business.hautelumiere.life/library/the-long-clock

## THE LICENCE

Two Sentences
*Chapter One of The Long Clock*

The Long Clock · Chapter One. The Haute Lumière edition, 2026. © 2026 Ammanuel Santa Anna.

Released under the Luminous Library Licence 1.0 (hautelumiere.life/library-licence): free to read, share, quote, translate and teach, non-commercially, for ever. The Author keeps every other right, including every commercial right.

Published by Luminous Prosperity Inc. for Haute Lumière. Author ORCID 0009-0008-3244-0306.

DOI 10.5281/zenodo.23989074 · this record's page: business.hautelumiere.life/library/the-long-clock/01-two-sentences/

Please cite as: Santa Anna, A. (2026). Two Sentences. In The Long Clock (ch. 1). Luminous Prosperity Inc. https://doi.org/10.5281/zenodo.23989074

Chapter One of The Long Clock. The whole book, with every chapter, is at business.hautelumiere.life/library/the-long-clock (DOI https://doi.org/10.5281/zenodo.23989072).

## A NOTE BEFORE YOU READ

This work is offered for education and leadership development. It is not legal, financial, accounting, investment, medical or psychological advice; take the advice of a qualified professional who knows your circumstances. Companies and events are described from the public record as the author understands it; characterisations are the author's analysis. Examples are illustrative, and no particular outcome is promised to any reader.

## ABSTRACT

Every company keeps two sentences about itself. The first is the one it shows. It sits in the articles of association, on the wall in reception, in the opening paragraph of the annual report, and it says what the company is for. The second is the one it runs on. It sits in the bonus plan, the covenant on the loan, the guidance given to analysts, the figure the finance director checks on the first Monday of the month, and it says what the company will be judged on and when. Most of the time the two sentences live side by side without trouble. In a good year there is money for the apprentices and money for the dividend, money for the research programme and money for the margin. The test comes in a hard quarter, when only one of the two can be honoured. Then the second sentence wins, and it usually wins quietly, without a meeting where anyone decides that the first sentence no longer applies. The training budget is trimmed. The product launch slips a year. The long customer is moved to a cheaper service tier. Each decision is small and defensible.

CHAPTER ONE

# Two Sentences

## The sentence on the wall and the sentence in the bonus plan

Every company keeps two sentences about itself. The first is the one it shows. It sits in the articles of association, on the wall in reception, in the opening paragraph of the annual report, and it says what the company is for. The second is the one it runs on. It sits in the bonus plan, the covenant on the loan, the guidance given to analysts, the figure the finance director checks on the first Monday of the month, and it says what the company will be judged on and when.

Most of the time the two sentences live side by side without trouble. In a good year there is money for the apprentices and money for the dividend, money for the research programme and money for the margin. The test comes in a hard quarter, when only one of the two can be honoured. Then the second sentence wins, and it usually wins quietly, without a meeting where anyone decides that the first sentence no longer applies. The training budget is trimmed. The product launch slips a year. The long customer is moved to a cheaper service tier. Each decision is small and defensible. Together they are the company choosing its next quarter over its next decade.

This book is about the distance between those two sentences, and about the one thing that most often decides which of them wins. That thing is time. Not time in the abstract, but two specific clocks: the period over which the people who make a decision will be judged, and the period over which the thing the decision draws on takes to renew. When the first clock is shorter than the second, the second sentence wins. When the two clocks are brought into line, the first sentence has a chance.

## Three rooms, one decision

The pattern is easier to see in a room than in a theory. The three rooms below are composites, built for teaching from situations common enough that most readers will recognise one of them; none is a real organisation or family.

The first is a boardroom in a listed engineering company. The finance director presents the forecast for the year. It is a little short of the figure the company guided analysts toward in the spring. She lays out three ways to close the gap: defer the next phase of a software platform the operations team has been building

for two years, freeze graduate hiring for twelve months, and move the maintenance contract on the older plants from preventive to reactive. Each saves a sum. Together they close the gap. Nobody in the room believes any of the three is good for the company over five years, and nobody says so, because the cost of each arrives after the people in the room will have been judged. The meeting takes forty minutes.

The second is a kitchen in a family firm, three generations old, that makes specialist fittings for boats. The founder's granddaughter runs it. An investor has offered to buy a minority stake, and the money would pay for a new production line. The terms are reasonable. They include a target return over five years and a right to sell the stake, with the family's shares alongside, if the target is missed. The granddaughter's apprentices take four years to train. The boatyards she supplies change suppliers about once a generation. She is being offered capital on a five-year clock to fund a business whose two most valuable assets run on clocks of four years and twenty-five. She senses the mismatch without having a word for it.

The third is a smaller kitchen. Two adults, one child, a rented flat. One adult has been studying in the evenings for a professional qualification that will take another two years. In a hard month, the boiler fails, the card balance rises, and the course fees fall due. The course is paused. The month's accounts recover at once. The cost of the pause will arrive in three years, when the higher salary the qualification would have brought does not, and it will never appear in any account as a loss.

The three rooms differ in scale by several orders of magnitude. The decision in each is the same. A long-clock asset, a platform, a workforce's skill, a person's qualification, pays for a short-clock result, and the payment is booked as a saving. This book is written to make that decision visible before it is taken, and to show the structures that let it be taken differently.

## Why this book

The idea is not new, and the book does not pretend it is. Economists have argued about short-termism for decades. Lawyers have argued about the purpose of the corporation for longer. In 2018 Colin Mayer, a professor at Oxford's Saïd Business School, published *Prosperity*, the fullest modern statement of the case that a company has a purpose beyond profit, and he went on to lead the British Academy's programme on the future of the corporation.[1] Chapter 2 sets out his argument and the older history it recovers.

What this book adds is a particular way of reading that argument, drawn from Ammanuel Santa Anna's *Ecstatic Economics*. Santa Anna reads an economy the way an ecologist reads a watershed: as a living system with stores and flows, with things that renew and things that are drawn down, and with feedback that either reaches the people making decisions or does not. Read that way, short-termism stops being a vice to be scolded and becomes a design fault to be repaired. His book is careful on this point. Describing the shareholder-primacy corporation, he writes: "Its legal structure, its incentive systems, its accounting frameworks, its governance mechanisms all converge on a single objective: maximize financial returns to share-

holders."[2] The sentence is not an accusation against the people inside. It is an anatomy of a structure, and structures can be redrawn.

The reading also reaches somewhere the usual accounts of short-termism do not: into the body of the person deciding. Santa Anna's book gives a chapter to what scarcity and threat do to the nervous system, and its conclusion bears directly on time horizons. Under chronic threat, he writes, "scarcity-based economics literally makes people less intelligent, less creative, less empathic, and less capable of long-term thinking." He adds at once: "Not because they lack ability, but because their nervous systems are in a chronic state of threat response that shuts down the very capacities most needed to create a different kind of economic life."[2] A board facing an activist and a family facing an overdraft are, in this account, in the same physiological position. Both are being asked to think on a long clock by bodies that have been told to survive the week.

That joining of institution and body is the house's contribution. It is why this book spends as much care on who holds a company as on how it is run, and as much on the kitchen table as on the boardroom.

## Why now

Three things make the question practical rather than academic.

The first is that the old answer has lost its certainty. For about half a century, the working sentence of most large companies in Britain and the United States was some version of Milton Friedman's 1970 essay title, that the social responsibility of business is to increase its profits.[3] In August 2019 the Business Roundtable, an association of chief executives of large American companies, published a Statement on the Purpose of a Corporation, signed by 181 of them, committing to customers, employees, suppliers and communities as well as to long-term value for shareholders.[4] Chapter 3 examines how much that statement changed, which by the best study of it was very little. But the fact that it was written at all tells a leader something. The question of what a company is for is open again, in the rooms where it is decided.

The second is that the evidence has improved. For a long time the case against short-termism rested on surveys of what executives said and on stories of what they did. Since then researchers have found ways to ask the causal question more carefully: what happens to a company's value and investment when its executives' pay is made to look further ahead. Observational studies have also looked more closely at what happens when its owners cannot sell. Chapter 5 sets out that evidence with its limits. It is narrower than its advocates claim and more consistent than its critics allow.

The third is that the structures exist. A founder who wants a company to stay true to its purpose after she has gone is not inventing something. Industrial foundations have owned some of Europe's largest companies for generations. Employee trusts have owned British retailers for most of a century. In September 2022 the founding family of Patagonia transferred their company to a purpose trust and a nonprofit collective,

using ordinary legal instruments.[5] Chapters 6 and 7 work through these cases from the companies' own documents. The point for now is that the long clock is not a utopian proposal. It is a set of tools already in use, unevenly known.

## Who this book is for

It is written for four readers, and each will use it differently.

The leader who runs something: a company, a division, a practice, a school, a hospital trust. She does not own the company and cannot change its shareholders. She can change what her team is measured on and over how long, which assets her budget protects, and what goes in the minutes. The field manual in chapter 9 is written for her, week by week.

The owner: a founder, a family that holds a firm across generations, a partner in a professional practice, the trustee of a foundation. He can change what the company is and who can sell it. Chapters 6 and 7 are written with him in mind, and chapter 11 gives him the words for the conversations that follow.

The board member or adviser, who sits between the two and is often the one person in the room able to ask how long an asset takes to rebuild. Chapters 3, 8 and 10 are hers: the objections taken seriously, the question of guidance to investors, and how to tell whether any of it worked.

The household, which runs on two clocks as surely as any company: the monthly statement and the long assets of health, skill, a child's schooling, a parent's care. Most chapters carry a household version of their argument, and chapter 12 works one household through a year. Nothing in this book is investment advice, and the house gives none. What it offers a household is the same structural reading at the scale of a kitchen table.

## The one claim

The book makes one claim, stated here once so that every later chapter can be read as a test of it.

A company's time horizon is set by its purpose and its owners long before it is set by its managers. A leader who wants longer horizons has to change what the company is for and who holds it, not only how it is run.

Two consequences follow, and they run through the whole book.

The first is that exhortation does not work. A management team told to think long-term, while its pay vests in eighteen months and its largest lender reviews the covenant every quarter, will think long-term in the strategy day and short-term in every decision after it. This is not hypocrisy. It is what any structure does to the people inside it. Santa Anna's book has a short sentence for this, which chapter 2 will return to: "Culture doesn't float free of structure."[2]

The second is that patience is not a sacrifice. The usual language treats the long term as something a company pays for out of its returns, a cost of virtue. The house's reading treats it as accuracy. A forest grows at the speed it grows. A team learns at the speed it learns. A customer comes to trust a supplier at the speed trust is built. An owner whose expectations match those speeds is not being generous to the company. She is being right about what she owns. Santa Anna's teaching on financial institutions makes the point directly: "Patient capital isn't about sacrificing financial returns; it's about recognizing that true prosperity encompasses social and environmental well-being."[6]

## What the book will not do

A book about long horizons should be honest about its own.

It will not tell a reader what to buy, sell or hold. The evidence in these chapters concerns companies, ownership structures and incentives. It does not concern which shares will rise.

It will not claim that every patient owner is a good one. A long clock tells an owner to wait for the slow assets to renew. It does not tell her which assets are worth renewing, and some of the most patient owners in economic history kept factories open long after their products had stopped serving anyone. Chapter 3 takes that objection at full strength.

It will not pretend that markets are the enemy. Several of the sharpest findings in chapter 5 come from financial economists using market prices, and they show particular owners on particular clocks behaving in particular ways, not markets in general punishing the future. Santa Anna's own book refuses the villain story. Of the shareholder-primacy corporation he writes, "Ecstatic Economics doesn't demonize this model."[2]

And it will not offer the living-systems reading as the only true one. It is a lens. It is offered because it makes some things visible that the usual accounts leave in shadow: the draw-down hidden inside a good result, the body's part in shortening a horizon, the parties with long clocks who sit in the corner of the stakeholder map marked *monitor*. A reader should keep the lens where it shows her something true and set it down where it does not.

## The map of the book

The book has thirteen chapters and a workbook.

Chapters 2 to 5 set out the argument. Chapter 2, *The Company Was Chartered for Something*, recovers the older idea that a corporation's privileges were granted for a stated purpose, examines the belief that directors must legally maximise shareholder value, and sets out what Mayer actually proposes. Chapter 3, *Four Objections, Answered Plainly*, gives the critics their strongest form: accountability, purpose-washing, entrenchment and the claim that short-termism is overstated. Each turns out to be an objection to purpose

without structure. Chapter 4, *Two Clocks in Every Company*, is the house's own reading: the decision clock against the regeneration clock, the loop that settles toward decline, and the body's clock under threat. Chapter 5, *When the Clock Lengthens*, sets out the evidence and works a composite family manufacturer through the arithmetic of cutting its future to raise its sale price.

Chapters 6 to 8 are cases. Chapter 6, *The Foundation and the Trust*, reads Europe's foundation-owned companies, Bosch above all, from their own published figures. Chapter 7, *Handing It On*, reads two founders who gave up the right to sell: Yvon Chouinard's family at Patagonia and John Spedan Lewis at the John Lewis Partnership. Chapter 8, *The Quarterly Question*, follows the companies that stopped giving investors quarterly earnings guidance, and what the research says happened next.

Chapters 9 to 12 are for use. Chapter 9 is a field manual: twelve weeks, end to end, with roles, decisions and what to do when it stalls. Chapter 10 is about measurement: how to know whether a longer clock is renewing anything, written so that a leader cannot fool herself. Chapter 11 gives the hard conversations, with boards, lenders, families, investors, staff and sceptics, in words a person could actually say. Chapter 12 takes the whole argument home, to one composite household across one year.

Chapter 13 closes with the living-systems reading of the whole and one image to carry away. The workbook gathers every tool in the book and a ninety-day plan.

Each chapter ends with a tool, written out in full, that can be used the same week. The tools are meant to be filled in by hand and kept where the monthly numbers are kept, not where the values are framed.

## The neighbouring books

This book belongs to a series in the Ecstatic Economics lineage, and several of its arguments are completed elsewhere. The evidence on employee ownership, which bears directly on who holds a long clock, is the subject of *Owning the Work*. The history of how a workforce can share in gains it builds over time is told in *The Gain Was Always Shared*. Where this book refers to them it says so, and leaves them to do their own work.

The order of reading matters less than it might seem. A reader who owns a firm and is thinking about who will hold it after her may want to read chapters 6 and 7 first and return to the argument after. A leader with a board meeting next month may go straight to chapters 9 and 11. A household may begin with chapter 12. The book is built so that each chapter stands on its own, with its tool, while the argument of chapters 2 to 5 sits underneath all of them. What it asks of every reader is the same: to put the slow clock and the fast one on the same page, and to look at both before deciding. Everything else in these pages is a way of making that one habit easier to keep, in a company and at home, in a good quarter and a bad one.

## A first page

Before the argument begins, it is worth knowing where you stand. The tool below takes a quarter of an hour. It asks for nothing a person who runs a company or a household does not already know, and it is usually more revealing than expected, because the two clocks are rarely written on the same page.

Fill it in now. Fill it in again when you reach the end of the book. The difference between the two pages is the most honest measure this book can offer of whether it was worth reading.

## The Tool: The Horizon Snapshot

One page. Fifteen minutes. For a company, a team, or a household.

1 · The two sentences

- The sentence we show (purpose, mission, what the money is for): _____
- The sentence we run on (what we are actually judged on, and by whom): _____
- The last time the two disagreed, and which one won: _____

2 · The longest-lived thing we depend on

- Name it (a skill, a relationship, a reputation, a pipeline, land, health, a child's schooling): _____
- How long it would take to rebuild if it were run down: _____ years

3 · The shortest clock that can draw on it

- Who decides about it: _____
- Over what period they are judged: _____ months
- Who sets that period: _____

4 · Who holds the long clock

- The person or body with the longest horizon, the standing to act and some distance from daily management: _____ (or: nobody yet)

5 · One line

- If the clock in part 3 is shorter than the time in part 2, write the one thing that would lengthen it: _____

Dated __ · to be repeated after chapter 13 on ____

# References


1. Mayer, C. (2018). *Prosperity: Better Business Makes the Greater Good*. Oxford University Press. ISBN 9780198824008. Summarised here; chapter 2 sets out the argument. A book-length argument, not an empirical test of whether purposeful firms perform better.
2. Santa Anna, A. *Ecstatic Economics*. Luminous Prosperity, 2026. Chapters 3 and 4, from the canon text. The physiological account draws on polyvagal theory, whose claims are debated in the research literature; it is cited for the book's argument about time horizons, not as settled physiology.
3. Friedman, M. (1970, September 13). The social responsibility of business is to increase its profits. *The New York Times Magazine*. The essay is more careful than its title; chapter 3 sets out its argument.
4. Business Roundtable. (2019, August 19). Business Roundtable redefines the purpose of a corporation to promote "an economy that serves all Americans" [Press release]. businessroundtable.org, read 19 October 2026. The release states the statement was signed by 181 chief executives. It records a commitment, not a change in behaviour.
5. Patagonia. (2022, September 14). Patagonia's next chapter: Earth is now our only shareholder [Press release]. patagoniaworks.com, read 19 October 2026. Chapter 7 sets out the figures.
6. Santa Anna, A. *Designing Living Financial Institutions*, Chapter 1, "Institutions as Organisms: Charter, Metabolism, and Lifespan." Living Systems Textbooks, unpublished.

Two Sentences

Ammanuel Santa Anna · Luminous Prosperity Inc. · Haute Lumière

Set in Cormorant Garamond and Manrope.

Read the Business Library at business.hautelumiere.life/library.

Luminous Library Licence 1.0 · hautelumiere.life/library-licence

**REQUEST A CONVERSATION**

business.hautelumiere.life/book/?kind=gainshare

The Business Library

business.hautelumiere.life/library/

The packages

hautelumiere.life/pricing/