



# **Festival of Associative Economics**

ECONOMICS CONFERENCE  
Report of the 7<sup>th</sup> Annual Meeting

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## **Festival of Associative Economics**

7<sup>th</sup> Annual Meeting of the Economics Conference

*This meeting was held in Chartham (Canterbury), England, 9–14 August 2008.*

Twenty individuals from 9 countries met near Canterbury, England for an event that combined The Economics Conference and an Associative Economics Festival. The gathering was “framed” by large easels that held black paper drawings depicting the content from the previous 2003 Economics Festival in Canterbury. These drawings told a story of temple architecture, tracing initiation mysteries from ancient Egypt through the first and second Goetheanum. Describing the themes of the 2003 conference, “Entrepreneur as Neophyte, Corporation as Temple, Finance as Guardian,” they provided a context as well as physical backdrop for our meeting.

Sacred structure, especially as pertains to economics, was a main theme of this gathering. From start to finish, participants were encouraged to work as a circle of ethical individuals, contributions of listener and presenter each in turn being vouchsafed by the other, in order to displace the need for lead presenters and to promote benefit for all. This ‘circle of colleagues’ came to mean *a space where esoteric and exoteric realities meet at the threshold between them*, creating the possibility for a sacred experience.

Everything Rudolf Steiner did at the end of his life was to wake human beings up to the potential for the sacred, both within individuals and in social structures. In the re-founded Anthroposophical Society, he embedded principles to safeguard the possibility for the human “I” to become conscious of itself. This is inherent and apparent in the re-founded Society’s structure: through self-knowledge – *inner development* through the esoteric work of the School of Spiritual Science – and knowledge of the other – *activity in the world* through the exoteric work of the Sections.

An Economics Section is conspicuous by its absence in the re-founded Anthroposophical Society. What was Steiner trying to show by this? Was it that economics would not be served through the leadership of one individual but rather by a Being in the centre of a circle of I-beings? The Economics Conference was created 7 years ago as a proto-economics section with the intention to create a locus within the School of Spiritual Science to research economics with Rudolf Steiner as the starting point. In Chartham, meeting as we were on behalf of associative economics, as both members and non-members of the Economics Conference, there was a sense of *working as a Section with* Rudolf Steiner on behalf of economics. Associative economics strives to make visible the needs of both self and

humanity, with the human being at the center, mediating between the two. What of its effect in the world? To use a plant metaphor, has associative economics gone beyond the cotyledon stage of the plant, having reached the 'water table' and born true leaves? It must span both academia and practical ways of working, both anthroposophy and modern finance. Is it getting this recognition? Steiner's contribution to economics has gained recognition in modern finance and academia, indicated by independent funding it has received via the Economics Conference.

### *The Sacred Nature of Economic Life*

The deeply sacred nature of economic life relies solely on the will to enact human conscience. Conscience, an inner sense of justice, has evolved through training consciousness over time to experience the interface between self and the self's effect on the world. Human sense of justice follows an historical journey from Moses and the Ten Commandments, the Samothracian Mysteries and Aristotle, the Templar Knights and Rudolf Steiner's *Philosophy of Freedom*. The sense of justice lives between two worlds as an experience of elevating one's self *and* of being active in the world, one inner, the other outer. Rudolf Steiner made this phenomenon explicit in the re-founded structure of the Anthroposophical Society as a social archetype that we ignore at our peril.

In associative economics, the human being is at the centre of economic life, mediating between self interest and interest of humanity as a whole. In economics, one can have an experience of this when considering Rudolf Steiner's ideas of 'true price.'

### *History and Economics*

If current economic thought were considered in the light of economic history, linked as it is to the development of human being, would we have different thoughts? Prevailing thought leaves no room for the human being as an economic actor. During the Renaissance, with the emergence of capital, humanity developed the capacity to reason through natural science. An individual could only fathom two independent elements, the observer and the object of observation. The so-called positivism of today, which definitively disconnects the human being from divine origin, exaggerates this dualism – a necessary development that culminated in the Renaissance but which has outlived its relevance. Rudolf Steiner offered an antidote to dualism with his axioms of three kinds of money and three independent variables in price formation. In contrast to Adam Smith's arithmetical supply and demand theory, when the human being is

placed in the centre as mediator of two realities, dualism can metamorphose to association.

After WWI, the world was poised, as a global economy, for a new approach to economics. Instead, world leaders fell back on dualism – the gold standard, nationalism and resulting too-severe war reparations on Germany. Daniel N. Dunlop, a Scotsman and influential entrepreneur who recognized Rudolf Steiner's urgent call for a world economy, founded a global organ on behalf of humanity to survey all the world's energy resources. Key to the project was independent financing for research. Dunlop's vision planted a seed which continues to pose the question to the western world: Can one give money without determining the outcome or use of it? Can western pragmatism be harnessed to serve all of humanity?

### *Bringing Meaning and Truth Back into the Market*

Is the market not a karmic meeting place where human beings come to meet each other's needs and go away again, leaving an empty space? Loyalty to one's supplier creates stability of price; there is no question of beating your friend down for a lower price. A market always yields something leftover – a surplus. The surplus once belonged to the gods, now we claim it for ourselves. The 'market' of today starts with the price I want and a world is created around this illusion. In order to give reality back to today's market, atomized elements must come together in a circle for a conversation – an association. In the modern competitive landscape, associations can avoid the legal charge of collusion through the furtherance of price *emergence* as distinct from price *fixing*.

Moving out and beyond the combined Economics Conference and Associative Economics Festival, it became apparent that associative economics comes about through the meeting of individual entrepreneurs as I-beings – ethical individuals working on behalf of humanity who thus invite benevolent forces into the world's midst. Practical structures are needed, reminiscent of Daniel Dunlop, to invite the will of humanity to put money in the path of independent research for the benefit of all.

The Economic Conference dedicated as it is to researching and implementing Rudolf Steiner's Economics Course, has created such a funding tool through the Economics Conference Fund, whereby people can send money to it via the Goetheanum. Establishing a flow through this account makes visible a forgotten tenet of capital to which Steiner gives strong emphasis, namely that capital must disappear into free culture, it must be consumed. It gives practical

expression to the temple mysteries, namely that to be truly human is to live in the space between inner and outer, inner development and outer activity, the School of Spiritual Science and the Sections for research.

### *Music along the Way*

This festival was punctuated with singing and storytelling. As we discussed presenting *Rare Albion, A monetary allegory* by C. Houghton Budd, which considers the further awakening of the economist Victor, the wizard from OZ, as he looks back upon the economic consequences of his reign of 'humbug' from his hot air balloon, the plans were graced a clear, full rainbow that appeared over us! Victor's story was then told with songs and images of a real and imagined economic life. The next evening participants, even those who professed an inability to sing, raised their voices together in a number of original songs inspired by studies in associative economics. The festive atmosphere suggested a new way of introducing economic themes to young and old and proved that economics is *not* a dismal science!