



# Economics Conference of the Goetheanum

*Part of the Social Sciences Section to the School of Spiritual Science*

Newsletter | December 2009

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## **9<sup>th</sup> Annual Meeting, 16 to 19 September 2010**

*At L'Aubier, Neuchatel, Switzerland*

PLEASE NOTE THE DATES. THEMES TO BE ANNOUNCED.

This will again be a research gathering. Attendance will be limited to 20, so please be sure to book early!

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## **Report of 8<sup>th</sup> Annual Meeting, Michaelmas 2009**

*Daniel Osmer, Sebastopol, California, USA*

The 8<sup>th</sup> annual meeting of the Economics Conference ([www.economics.goetheanum.org](http://www.economics.goetheanum.org)) was attended by 15 members of the School of Spiritual Science under the theme of 'Economic Life at the Threshold'. Presentations and subsequent discussion of the pre-distributed papers on true price, separating income & labor, basic income and the associative principle took place over the course of three days just outside Neuchatel, Switzerland. We generally spoke in English, mindful to speak deliberately and concisely for those German, French and Spanish speakers participating.

### **Research Themes**

In his first lecture of his *Economics Course 1922*, Rudolf Steiner points to a world in which economic life has to be seriously rethought. The call is made to lift the thinking to a level above what it's used to in natural science, something that clearly points to the faculties of Imagination, Inspiration and Intuition. These are needed to fully comprehend the true nature of commodities, labor and capital. In this mood, we started and ended the meeting by approaching the contents of the 15th lesson of the First Class of the School of Spiritual Science. How can we find the ground for our three soul forces – thinking, feeling and willing – in the spiritual world?

### **Articles for Research and Review**

Six papers were distributed among the participants in advance of the meeting so that all could be familiar as they were presented. The ensuing dialogue and critique among peers provided a great opportunity to deepen our understanding and will result in a published conference document. The themes are touched on below, with special thanks and appreciation to their authors, Marc Desaulles, Arthur Edwards, Christopher Houghton Budd and Marc Theurillat.

### **True Price**

The twin theory of value, the associative principle and true price are axiomatic ideas from the Economics Course of 1922. True pricing points to the questions of labor and income that are at the center of today's financial crisis. The universal practice of searching for the 'lowest price' seems efficient at first glance, but has resulted in the rise of indebtedness and the chronic reduction of incomes worldwide. The way out: "Capitalizing the balance sheets of the countless individuals whose initiative is thwarted merely for the want of credit." This means connecting income to human creative intelligence as it manifests through what we do for one another – the division of labor. In practice, this will also require the capitalization of the initiatives and related intuitions of individuals instead of putting capital into land. When individuals are properly remunerated (Income/Expense Statement) and capitalized (Balance Sheet) a new paradigm can come to expression. We can free ourselves from the financial system the more we realize and comprehend that money is accounting and accounting is money.

### **Separating Income & Labor**

"The important point is that working for one's fellowmen and the object of obtaining so much income must be kept apart." – R. Steiner.

To separate income from labor requires that egoism be taken out of the field of economic life, which then leads to true pricing, not a basic income. The nature of 'labor' isn't something one does for oneself, but the field where one finds one's mission. 'Labor' is really about unfolding one's own karma and becoming oneself in doing what one is called to do in meeting the world's and others' needs. In this way we enter the mystery of the will, a central aspect of human incarnation. To free people from labor through an institutionalized state-based unconditional basic income in the long run may result in undermining the will forces and the dignity of the human being.

### ***Reciprocally Related Prices***

The effect of each price, each local exchange, goes beyond the immediate circumstances of the transaction to which it relates and into the balance of the whole economy. Prices cannot be considered in isolation from one another because they are reciprocally related on a global level. Long ago, Rudolf Steiner described it by saying that "local tram fares are affected by events in America". The current market paradigm has set out the entire economic language in which debate occurs. Whereas in the market concept of pricing, behavior is price-driven, the associative image of pricing is of prices being behavior-driven. Rudolf Steiner describes price as the cardinal question of economic life (as does modern economics) and gives the image of mercury in a thermometer corresponding to price that is an indicator of temperature, not a cause. The idea of true pricing is a much wider concept than it first appears. To work associatively, individuals need an instrument through which prices can be 'perceived'. As an organ of perception, accounting has the potential to educate us to our economic circumstances in a precise and common language. The balance sheet makes the 'life of rights between us' visible to all that can understand, read and write, in this language.

### ***The Associative Principle***

The rationale for our competitive economy comes from an idea of Adam Smith. When two people meet, they do so to collude in making an economic gain, so they should be made to compete in order to negate this possibility. And yet, it is also possible to meet on the street corner in order to cooperate for the benefit of the whole without collusion – cooperation without collusion.

In the 1948 edition of *The Social Future* lectures, Bernard Behrens writes: "In accordance with other numerous expositions given by Rudolf Steiner on this subject of capital accumulation, transfer and administration, without government interference, it can be said that the 'company principle' means a maintenance of an artificial, lifeless separation of finance-capital from the human being in his true social relationships, whereas the 'associative principle' in the economic sphere starts from the human being with all their capacities and abilities, working by means of capital placed at their disposal for really productive purposes for the common benefit of all."

Does its method of capitalization allow the share company to be an expression and instrument of the associative principle rather than the company principle? The share company that Rudolf Steiner headed was called *Der Kommende Tag*, a collection of economic activities, commercial and cultural, where the idea seems to have been to devote the profits of the first to benefit the latter, the cultural activities.

### ***Michaelmas with the Local Branch***

On Michaelmas Day, Marc Desaulles and Anita Grandjean, arranged a visit to nearby Neuchâtel Museum where we viewed a magnificent work of art completed in 1885 by local painter, Paul Robert. Together, we all listened as Anita Grandjean described some of the outstanding details of the paintings and the riveting story of the artist. The entire life of the area can be seen through three two-story murals depicted in Michaelic themes. Afterwards, we gathered at L'Aubier's 'downtown' Café-Hotel for a late supper hosted with great good will, warmth and hospitality by members of the local branch of the Anthroposophical Society. Thank you for this special event.

### ***30<sup>th</sup> Anniversary***

The day before the meeting, L'Aubier celebrated its 30th Anniversary ([www.aubier.ch](http://www.aubier.ch)). Hundreds of shareholders and friends gathered to sow seeds for the future over a very large tilled field. Strengths in both inner and outer aspects of maintaining a growing enterprise could be felt over the entire premises through a consistent experience of its elegant simplicity, beauty and the attention to detail. After sharing food together, the new 21-unit 'green' apartment complex and wellness center for seniors and young families was dedicated, followed by a tour of the well thought out space.