

2nd Latin American Meeting of the Economics Conference

The role of Latin America in the world economy

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The Role of Latin America in the World Economy

Associative economics as a social path

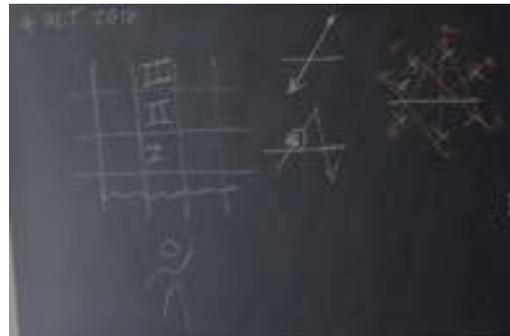
Buenos Aires, Argentina, 4-7 October 2018

Finally, the 2nd Latin American meeting of the Economics Conference of the Goetheanum took place. Unlike the previous year, the brightness of spring surrounded and accompanied us throughout the event. Participants from Brazil, Ecuador and Argentina met in Los Mangrullos, San Andrés de Giles, Buenos Aires, Argentina to continue the process initiated in Mendoza in 2017..



The meeting was organized around three main themes, “economics”, “the corporation” and “accounting” with special attention on the role Latin America has to play in the world economy.

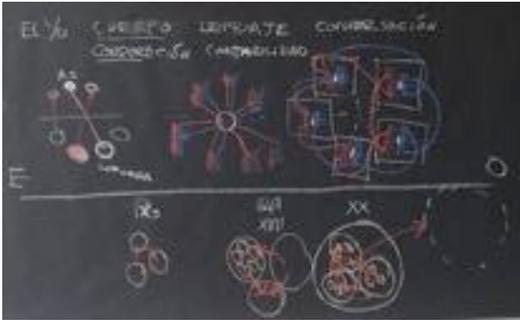
As a keynote speaker Christopher Houghton Budd addressed the theme of "The Need and Form of a Section for Economics". Christopher spoke of the great responsibility of anthroposophy in marking for humanity the next step in evolution in the different areas in which Rudolf Steiner ventured. He spoke of the structure of the Anthroposophical Society and the School of Spiritual Science to explain the path of the apprentice, how the apprentice should recognize himself on the journey and what path he must walk; likewise for those who wish to be representatives. If the responsibility of anthroposophy is to show the next step in the evolution of economics, how is anthroposophy (the anthroposophical movement?) to be positioned?



Christopher then introduced us to the topic "Deconstructing Latin America". He proposed that the participants characterize what capacities Latin Americans have to share with humanity. Many ideas and proposals emerged, although the group was shocked by the immense nature of the theme and mostly lacked a way to fully represent all of Latin America. Likewise the participants saw Latin American people as teenagers in search of their identity. On the other hand, the great capacity Latin Americans have to do things was pointed out. For example, when they see that an idea is good enough, progress is made in the realization even when not all of the steps of the plan are absolutely clear. This was described as willingness to take risks and flexibility to adapt to any adverse conditions that might arise.

The Corporation

Christopher began the second day by discussing the role of the corporation and the case of the Coming Day Stock Company (*Der Kommende Tag*). In this lecture he described the historical evolution of economic life from the ninth century to the present, explaining the historical problem of promoting national economies instead of a single global economy. As long as we continue to think in terms of ‘separate economies’ today, we would need practically another planet to stabilize the current economy.



Christopher continued commenting on how corporations of the economic sphere should contribute economically (financially) to the institutions of the cultural sphere. In this way schools and other cultural institutions could be financed.

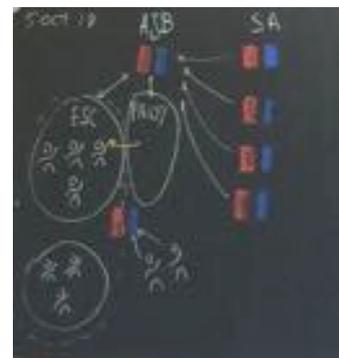
Just as a human being has an "I", a physical body and a language and so comes into conversation with others, so corporations or "legal persons" have a body of laws, and the worldwide language they use is accounting. By using this language, in due course the existence of central banks will become unnecessary.

After this conference, the meeting continued sharing experiences with pioneering cases in Argentina where work is being done in the name of associative economics.



Alejandro Urtizberea shared with the participants how the company Las Ondinas Pampeanas S.A. is constituted and the practicalities that occurred during the formation process. Additionally, Alejandro explained how the voting system in Las Ondinas Pampeanas is set to ensure the decision-making process is with the entrepreneur and not with the capital. He also described various tax and legal experiences had during the formation of the company. His presentation inspired the audience to solve the typical daily issues facing any real implementation of associative economics in Argentina.

Mauricio E. Garay continued by sharing a pioneer case in Mendoza. Mauricio described the origins of the "Juan Bautista" not-for-profit association, the foundation of the kindergarten and the school "Estrellas Andinas", the current state of the association and the projects it carries out. He also explained how associative economics is used on a day-to-day basis, the achievements that have been made and the existing challenges. Regarding the latter, he dedicated a good part of his talk to the way forward in the next years. In particular, he commented that the school must separate from the association and shape its own corporate structure.



Last year, the school moved from the previous building to a new one. To facilitate this process, 3 classrooms (148m²) had to be built at the end of 2017 and the beginning of 2018. Mauricio explained that a three-tiered funding request proposal was generated, namely:

1. Extraordinary contributions from parents and friends;
2. Donations;
3. Loans from parents and friends (not banks).

Due to the fact that significant extraordinary contributions of parents and friends (1) and donations (2) were obtained from some companies and friends, it was decided not to use the possibility of loans. In addition, important financial work was done whereby agreements were reached with the construction company and the professionals who participated and financing for 12 and 18 months was obtained despite the high inflation in Argentina (currently 45% annually).

The meeting continued with a conversation regarding perspectives and possibilities for associative economics in Latin America. Mauricio introduced the conversation by asking participants to comment on the projects in which they were active and how they were carrying out a vision of an associative economy. Or, after having listened during the last few days about Rudolf Steiner's economics, what they observed for the future of those projects and initiatives.

Participants commented on their projects and initiatives and the need to bring Rudolf Steiner's economy to practical life. There was general agreement on the need to know more about associative economics and that projects urgently needed this approach.



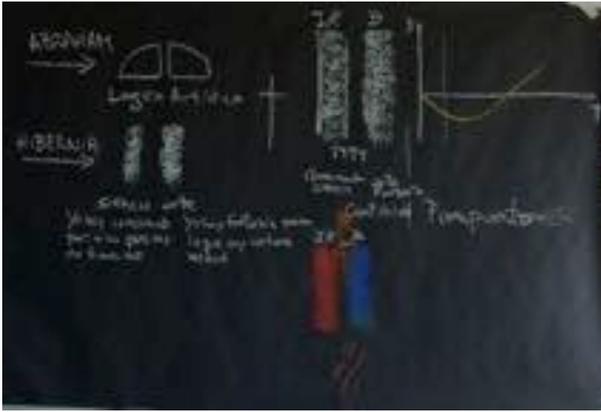
Accounting

Mauricio started the third day with the theme “Accounting as Guardian of the Threshold. Practical implications.” He began his talk by commenting that the world as we know it today is a consequence of the history and evolution of humanity and especially of what we call its mystery centers. In ancient times there was a person who guided individuals – neophytes – through an

initiation process. This person was called the hierophant and was in charge, due to his knowledge, as guide of the process. One could ask where is the hierophant today?

It is important to understand that the purpose of initiation for the neophyte was to recognize the threshold between sensible and supersensible life and that there are certain laws on either side of the threshold. A neophyte, initiate, is someone who begins to be aware of this. They are citizens of these two worlds. They begin to be aware, they are not fully aware. They begin to realize that they do not understand everything that happens to them and that this condition is usually accompanied by three questions: (i) Who am I? (ii) What tasks should I perform? What should I do? What is my mission on earth? (iii) Who will accompany me in this task? Who should I work with?

Mauricio continued his talk by saying that when trying to answer these questions, it is not possible to answer them, and the more you try to do it, the more the answer seems to disappear. In this attempt to answer these questions the first image of the Guardian appears, the image of the Guardian confirming an image of oneself. This is a first perception of the divine in ourselves and has a long evolution throughout history.



Mauricio reflected on how "Who am I?" can be answered. A part of the answer comes from memory, the past, and the second through how I project towards the future. Through accounting, actuals (past) and budgeting (future projection), we can accomplish this very thing. Mauricio shared how throughout history different elements of perception of the divine have been developed, beginning with the brain starting from the time of Abraham and later the mysteries of

Hibernia. In both historical processes there is a part of the instrument of perception that is related to "science" or "logic" and a part to the "artistic" or "fantasy".¹ Later, double-entry bookkeeping arises, as described in 1494 by Luca Pacioli.

If we observe double-entry bookkeeping and compare it with the mysteries of Hibernia we can conclude that accounting has the same gesture, a column of "science" and another of "art" or "fantasy". By observing where we stand, through the actuals, and looking towards the future through budgeting, this instrument of accounting begins to give a perception of the divine; an image appears, which acts like the Guardian, making us aware of ourselves.

Mauricio concluded the presentation by commenting on the practical implications of using this process with others and how this element of perception becomes a kind of guide, giving us wings to surmount the inconveniences and vagaries of everyday life.

Natalia Conti continued with the theme "Money is Accounting. The key to effective financial literacy". Natalia began her talk by referring to the bibliography used, the papers by Christopher Houghton Budd and Fionn Meier "Money is Bookkeeping" (2018) and "Money as Bookkeeping" by Fionn Meier (2018), in addition to the exercises carried out in the workshops provided in 2017 in



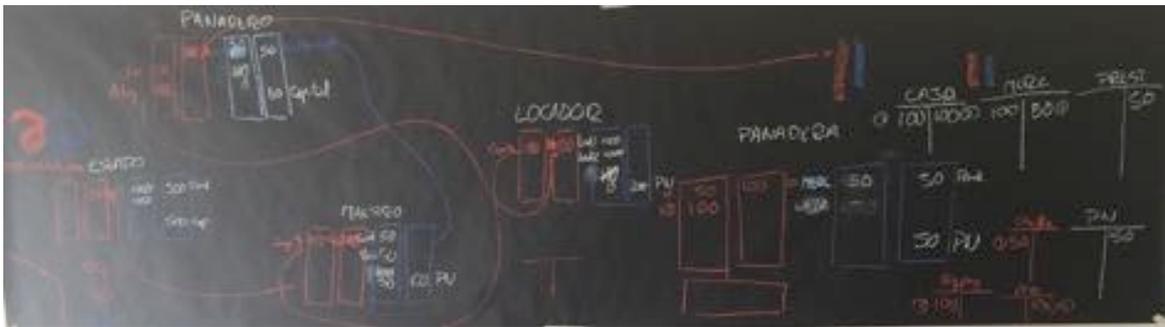
Mendoza with Mónica Dapás and the exercise held at the National Meeting of Anthroposophy in Córdoba, in September 2018, together with Mauricio Garay.

She described how throughout history economic relationships were reflected, initially by annotations with a simple starting system, later the emergence of money arises and its use extends during the Greek and Roman periods, until the development of double-entry bookkeeping and its systematization by Luca Pacioli in his "Summa de arithmetica, geometria, proportioni et proportionalita" (Venice, 1494). Then the emergence of nations

¹ More could be said on this, but space does not permit.

towards the 16th century and the ideas of mercantilism. And so on to the Gold Standard and the First World War, the Gold Exchange Standard, the Second World War, Bretton Woods in 1945 and the subsequent Dollar Exchange Standard until, finally, the elimination of the gold support of the dollar in 1971 by President Nixon.

In order to generate a space for reflection, Natalia conducted an exercise of an economy with three entrepreneurs – a baker, a store owner and a teacher. She showed how the respective economic exchanges are tracked on the balance sheets of each entrepreneur, showing the possibility of exchanges without circulation of fiduciary money but using accounting as money and as the common language of these entrepreneurs. The State was added to the exercise, as one more subject of the economy with its balance sheets and it was commented that there is no need for intermediaries, such as a central bank, to facilitate the flow of exchanges:-



During the afternoon reflections, Alberto Baldeon, from Ecuador, took the opportunity to present the organization of the Anthroposophical Society of Ecuador and its relationship with other anthroposophical initiatives. He asked those present for collaboration in order to bring a proposal, based on the experience of other places, that would give sustainability to the activities in his country and clarity in their actions.



A collaborative exchange arose, where experiences of Las Ondinas (Buenos Aires), Juan Bautista Association (Mendoza) and the contributions of Christopher Houghton Budd, regarding the legal form of the Society and the different undertakings in Quito, the need to clarify Sections of the School of Spiritual Science and its financing, make explicit the different entrepreneurs (school, workshops, etc.), so that they can be responsible for their undertakings and aware of their mission in the world.



Plenary. Final comments

During the final comments, the attendees thanked the organizers for the meeting (Mauricio Garay, Natalia Conti and Mónica Dapás) and for the possibility of being able to use the space of Las Ondinas Pampeanas. Likewise, Alejandro and the team of Las Ondinas Pampeanas were thanked for their work and hospitality. Those present also appreciated the intense work of research, reflection and exchange on associative economics. Attendees also thanked Christopher Houghton Budd for his dedication and participation.

It was agreed to hold the third Latin American meeting of the Economics Conference of the Goetheanum in 2019, but the location was not determined.

The need was recognized to bring consciousness to accounting and double-entry bookkeeping in practical life. In this sense, more workshops and seminars are needed for full understanding of the technique. Participants requested to be accompanied in their endeavors by the members of the Economics Conference who have deepened these concepts.



Finally, Mauricio urged that the next meeting be about the presentation of activity experienced during the year. He used the metaphor of meeting at a large table to show and tell the work papers and experiences collected on a daily basis.

Until next time!