

HENRY GEORGE AND RUDOLF STEINER

A MEETING OF MINDS

by Carl Flygt

My eyes were opened when I first read Henry George. Suddenly I had an economic explanation for why modern man has lost his soul, his sense of ease, wholeness, mystery and profundity. I could understand in concrete terms why the people I met and knew were full of conceit and vanity, of angular superficiality, of debasement and shame, without emotional subtlety in their expression, incapable of objectivity in their thinking, loudly cynical and humourlessly fearful. I could see also why I shared these qualities. From George I could understand that we had all accepted something radically wrong in our social contract, that in giving up many of our personal liberties in exchange for the greater liberties afforded by society, we had also given up an immensely great freedom, a spiritual freedom. Furthermore, and most amazing to me, we had no idea that we had done it.

What is this spiritual freedom we have lost through economic error? It is the freedom possessed in rudimentary form by the indigenous peoples of the world before their way of life was lost to economic development. It is the freedom of man in harmony with nature and the world-soul, the free cultural life of the natural man in rational and reverent exchange with forces he understands or at least knows intimately and respects. As Henry George put it, it is the freedom of a man in full possession of the rights to his labour and to the fruits of that labour.

LABOUR

What is labour? It is the basic factor of economic production. It is the mechanism and impetus behind the cultural and spiritual ascent of man. It is the activity which transforms raw nature into something of value, something of use and possibility. Properly speaking, it is a man's initiative, his satisfaction in what he

alone can make manifest, his art and gesture on behalf of a brotherhood of others. As such, labour is at once the archetypal free activity and the basis for all the sophistication of culture and civilization.

Henry George, himself a laissez-faire capitalist, showed nevertheless that as a matter of wrong economic thinking and wrong moral judgment, the right to labour has been lost. More accurately, it has been lost by some and appropriated by others. This is an objective fact. Those who live and labour at subsistence, without resources for a free spiritual life mediated by culture, actually endure a form of slavery. This economically unnecessary maldistribution of freedom or wealth has an archetypal form: the organised robbery of war and conquest, the rights and power of the king.

Land is the basic economic resource. Anyone with the impulse to labour can transform land, with appropriate application of intelligence, into something of value. This is the right and natural source of a society's wealth. The error is in the rights to land. It is to think of land as a commodity, as itself something with a value, as something one can appropriate in itself to oneself, as a king might, as something that can be capitalised. This insight is at once economic and moral. The supply of land is fixed. Land cannot be created, and we each have an equal right to it. There is only one earth, and it does not belong to us; rather, we belong to it. We are each only a guest here for a very short time. This is a great and profound truth, if only we had time for it. This is the intuition that the economics of war has extinguished from our thinking and from our sense of ourselves.

Something evil happens when we extend the mentality of conquest and arbitrary possession into times of economic progress. If we think we

can own rights to land as we may indeed own rights to labour, or at least to its products, the economic value of the land increases catastrophically. A positive feedback is set in motion, for if we are both intelligent and acquisitive, by nature or by weakness of spiritual impulse, we grab the land because it will be worth more next year without the need to apply labour to it. The more land is withheld from production, the more its value increases. We learn to seek and to exploit the unearned increment of a public value for private and illusory ends, and then we forget that in doing so we are undermining the free cultural life, the nature and sustenance of our souls. Entire industries thus develop from activities that produce nothing real except moral degradation.

This is the model we accept. The pure landlord is enriched, the pure labourer impoverished. The moral degradation of both must follow. It is a terrible wrong based on a misunderstanding of economics itself. Land is not a commodity because it is not renewable. Its value is a public surplus, like air, freely given to us all according to our individual capacity to derive benefit from it. The value of land is not really an economic value at all. It is a cultural value, an enormous wealth wrongly bound up today in forms and instruments that serve various specialised segments of society in merely subjective and degraded ways. The economic, moral and spiritual imbalance in this world is based in large part on ignorance of this economic truth.

LAND TAX

What solution does Henry George offer? It is a direct and startling political solution whose economic logic has never been refuted. George says the public community which gives value to the land should appropriate any value which has accrued to

the land beyond its productive value through a simple tax. This land value tax is a conception of utmost simplicity and equity. Under such legislation, it would be too expensive to put land to any use other than the best one possible. Instead of setting a drag on economic activity, as all other forms of taxation do, it would act as a stimulus to economic activity. By forcing the most efficient use of land possible, it would eliminate (or would have eliminated if applied early enough) the horrible tendency to urban sprawl, and would spawn a new, socially based architecture. As a corollary, it would stimulate a new agrarianism, a renewed attentiveness to the soil, its cycles, and our relationship to its living force. It would tend to eliminate many forms of non-productive economic activity, encouraging a valuation of real production with the natural outcome of an economics of brotherhood, sharing, and cooperation. George's is the literal vision of the City of God on earth, of peace, prosperity and transparent human consciousness brought about by a simple but radical correction in the way we think about and do economics.

How can we picture or think about what such an economic adjustment necessarily would mean for the social life? In a world where the production of wealth was linked directly to the individual's initiative, ingenuity, and love of the deed, human values, human consciousness, and even human evolution would experience a benign impetus. In that world, by degrees and over time, there would emerge in the human being the absence of subjective self consciousness. Man would no longer have an inner life because he would not need one! Instead, all the care for material life that today occupies the soul would be displaced by spiritual influences coming from the undistorted self-nature of other beings. Existence would become pure delight, in one sense an extreme simplicity, free of time, a subtle current of moment to moment emergence without beginning or end. Material nature

would simply and ethically be mastered as an adjunct to man's interest and absorption in the spiritual.

Every outward impulse of the soul or self-nature would then be tantamount to a work of art, a complete and self-subsistent moment. Universal access to the means to produce wealth, the rights to labour, would simultaneously slow and expand the experience of time. Man would come under the direct influence of the moral law. He finally and unequivocally would know what it is that he wants, would find the voice and the politics to express it, and would support that expression culturally. There would be no exploitation of one another, no want or misery, no overpowering urgency to compete. Each person would be expected to become and would be supported in becoming a whole being with nothing left out, nothing withheld. There would be nothing lazy about this world! From this great Work of Man the order of the world soul, the world of nature, would follow spontaneously, harmoniously with reverence and wonder in its own beholding. This is the challenge of Henry George's economics!

GEORGE AND STEINER

Rudolf Steiner, who saw deeply into the processes of nature and culture, believed that if the economic process itself could be adequately observed by those participating in it, it would correct itself if it were out of balance. Such observation and economic judgment is the basis of Steiner's call for free associations within the social sphere, and it depends on a certain universalism, a "freedom of the hands" as Steiner says, on the part of each individual participating in the association, and on that individual's capacity for rational thinking. Ultimately, says Steiner, the whole social order must originate from the insights of the associations.

Two salient principles emerge from Steiner's economic analysis. One is a direct reflection of Henry George: land must not be allowed to trap capital. Such a situation, Steiner

says, is unhealthy, a stagnation, a congestion of material and economic flow. The second principle is that all true (productive) economic activity is future oriented. This is especially true of the spiritual and cultural activity of free human beings. Such activity is a fertilising influence on that which enters the material process of production, and its value is incalculable. It goes without saying that such freed activity must be supported and encouraged in all ways possible.

Significantly, Steiner finds the legislative (tax) solution to the land question that Henry George proposed to be unworkable. Presumably it is too threatening, too radical a remedy for an age old and defining characteristic of human beings -the inevitable refuge of self interest, the organic grip of self-possession. Steiner's methods were anything but threatening or dangerous. Instead, Steiner says, let the associations find the connection between land rents and economic imbalance. Then there will be the "very definite possibility" of transferring unearned rents (in the form of gifts!) to those whose activity is freed. Nothing is forced on an unwilling, confused or hostile population. No future plans are scuttled. Only an appeal through reason to the moral intuition and good will of man, and to the grand possibility of a universal human society under the spiritual laws of an immensely greater world of natural profundity, abundant sustenance, and objective significance.

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