

DYNAMIC MONETARY FUNCTION

A Sensible Criterion for Distinguishing Between Positive and Negative Monetary Functions in Organizations

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Dear friends,

"Management is the most creative of all arts. It is the art of using talents in the right way." This is what *McNamara* once said - the same one [former Minister of Defense under President Kennedy], who once prophesied that, should development continue at the present rate, Europe would soon end up at the level of a developing nation in relation to the United States.

This statement sounds good because it attributes a decisive economic and social significance to intellectual and monetary credit for the development of skills.

Yet such a statement says nothing as long as it is unclear what it will be used for, in what civilizational framework it should be placed.

I am deeply convinced that the situation in which we find ourselves requires the most comprehensive points of view from us. For it is easy to see, in my opinion, that within probably not too long a period of time (there are, of course, periods of stagnation and decline with every development) other social groupings will replace the present ruling classes. The decisive question will be what role the individual will be assigned in the community, in the culture to which he belongs. And here another question will take on decisive significance, a question which perhaps first of all causes some surprise: "Is money a means of reducing the transaction and information costs of covering the necessities of life or, apart from the fact that it can of course have this function, should it rather be assigned another task?"

The Dance Around The Golden Calf

Let's take a cursory look at the way that the human being is nowadays embedded in the environment and social context. For this purpose, this look does not have to reach very deep for the time being. It is immediately apparent that in our political system there are increasingly sharply profiled interest and self-help groups, whose growing influence competes with political ordering measures. These groups all have related problems, for each one of them strives to push itself through against the other groups, or to maintain itself more or less as an outsider within them. Foreigners, young people, workers, industrialists' associations are a few important examples of such group formations. They are linked by the common interest of fulfilling demand, meeting a need - with the demand or need being interpreted completely differently for each specific grouping. Nevertheless, it is the need that is considered necessary to cover a certain life-value fulfilling claim. This need or demand is the physical-bodily existence, the features of which are presented very differently for each grouping. The proper employment of a talent signifies in this network of fulfillment of demand the allocation of a workplace, which through participation in covering the need of the other guarantees its own fulfillment of demand, which is felt to be relatively qualified. And the motivation that proceeds from such an employment consists in joining an interest group for the benefits that it guarantees, which within the group is combined with essentially aligned interests, but with respect to the groups among themselves comes up against far-reaching opposing interests.

Characteristic of this employment and this striving to be the object of the employment procedure is that the labor-sharing process in turn provides a quid pro quo for its own needs.

If one wonders how such a system can function that contains so many inner tensions, one can immediately see that it would have to collapse through its internal centrifugal forces, if it were not held together by the general recognition of a supreme good. Rudolf Steiner has once said that every community that is not held together by a cult must in time perish. The cult is the esteem, preservation, and increase of the highest good or goods recognized by it, which weaves the social binding. It is hardly possible to mistake what kind of cult and its highest good holds together the civilization of our time. It is the attribution of the high or highest esteem to the physical value of life and the nurturing of physical existence, of the comforts it provides and, in case of need, securing its survival. It is the dance around the golden calf of the physical body, not the sanctification of its beauty and wisdom and of the capacity for devotion disposed in it, but of its ponderable existence and biological function.

I propose to put what has been roughly outlined in the foregoing into a still somewhat larger context.

The cult of the body is the expression of the religion that is to the highest possible extent gripping humanity today. This religion is materialism, the belief or superstition that the material is the one and only reality. This belief results in a certain basic mood, which of course often retreats deep into the subconscious. This is the sense of not feeling at home in the inhumanity of this material world. This feeling of not belonging is one of the root causes of the tendency to seek protection in groups, which withdraws even further into the protective cover of physical corporeality. Thus arises the protection granting cult of physical corporeality, which is actually a cult of inhumanity. For when the only real thing about us is the perishable carnal body, then our soul-spiritual experiences, that is, everything of which we become conscious of as human beings, are mere fantasies. The social groups are the various cultic forms of materialistic belief, in which the body cult is celebrated. Yet this is still the expression of an agreement that for the time being prevents the War of All Against All, since all have an interest in bodily protection (cf. the East-West problem).

But it is also clear that the stimuli and anesthetics of the materialistic cults are not sufficient to continue deceiving its participants in the long run about its meaninglessness. This results in the upsurge of social unrest on the part of the new social groups or cult forms.

"Man Is A Thought Being"

Now I would like to introduce another point of view - and this is again a saying of Rudolf Steiner. In his book *Theosophy* we read the statement, "Man is a thought being." He is therefore not a being that, like minerals, plants and animals, arises from natural processes, at least not for the actually human part of his being. He is not, like the creatures of nature, a being who derives the content of his being from the general processes of the environment to which he belongs. He is a thought being, thus a being who must and can shape his being himself in an individual manner. For his thoughts man must and can produce himself. His being is thus his task. He is his own producer. This self-production is connected with another production, that of reality. The latter is at the same time self-production. Man emerges as a "self" from his production process of the world. This is caused and made possible by the way he is physically organized.

A different form of cult emerges from this than the currently dominant body cult. The latter is a cult of inhumanity, which is now contrasted with the cult in

which man activates and experiences himself as a thought being - the actual cult of humanity. This is a production cult, while the body cult is a consumption cult.

What I call cult, and indeed production cult, is nothing but the development of a new principle of civilization. It is that change of consciousness, which many recognize and also call out, e.g., [former German president] Carl Friedrich von Weizäcker, that it is the only way out of our state of emergency. The materialistic cult of behavior in our civilization indoctrinates people to use all their faculties to create the most favorable consumption conditions for their physical prosperity. The idealistic cult of behavior, on the other hand, directs the use of human faculties toward something else. That is precisely in the direction of self-production, i.e., the physiological, ecological, economic, and social conditions that give room for the best development of one's spiritual faculties, - i.e., in the direction of a free educational system. Whereas the materialistic cult chains man's spiritual faculties to his physical organism, the idealistic cult frees man from it and makes possible his free development in the sense of his actual task.

This brings about not only a completely new attitude to life as compared to the present, but also a completely changed social climate, yes, even a changed natural climate.

I seem to have strayed from my theme, which was to deal with the financial system and the effects of money. But on the contrary: I wanted to create the condition enabling one to clarify in what way the civilizational principle of a community influences the monetary order and, vice versa, the monetary order influences the civilizational principle, - and how from this a possibility arises to distinguish favorable and unfavorable effects.

In order to clarify this in a way that seems to me desirable, I must, however, include a further thought in my remarks.

The Body Cult Of Inhumanity Celebrates The War Of All Against All

The body cult cultivates the preservation of the body and the increase of its comforts. However, it leads to the opposite of what it is interested in, namely, to bodily destruction and ecological catastrophe.

But these are in comparison to the radical annihilation effect proceeding from body worship, annihilation effects of a lesser kind. For the absolute, definitive destruction is the destruction of the meaning of corporeality and embodiment. After all, the meaning of the physiological basis of our existence is to be the basis for our freedom, for our idealistic self-production. When our bodily existence is elevated to

the rank of chaining our spiritual existence to the concentric employment of skills rather than making it free, it is robbed of its meaning. This destruction of its meaning is the most radical form of bodily destruction and therefore human destruction. The body cult must therefore lead to existential human destruction, which is far more fearsome than the material one. By entangling all its participants in a process, in which each one takes part in the destruction of the meaning of the human body and thus of humanity in general, the body cult celebrates the war of all against all. I believe that today everyone must ask himself, whether he or she want to participate in the preparation of that war or rather in the preparation of such measures that can prevent it.

Holy And Unholy Monetary Forms

From here an aspect of money becomes apparent, to which I attach great significance. Money, as a reference order and means of supplying needs of all kinds, undoubtedly has a transfer function. The only question is how this transfer function is qualified. It is qualified by the normative principle of civilization and qualifies it in reverse. Money is thus the form of expression of the prevailing cult, the expression for what highest value serves the cooperation of a community. This is actually its meaning, not that of making the supply of demand cheaper. In this sense, it was once holy and is still basically holy or rather unholy today. Unholy money is money that is in the service of the materialistic cult of destruction. Sacred or holy money is money that serves the idealistic cult of self-production.

We may now ask, which kinds of money in this sense are holy or unholy, destructive or creative.

I am not now making a case for enumerating or characterizing all the metamorphoses in which money can appear. I am merely picking out a few that seem to me to be of special significance.

To this end, I first remind you again of what has already been mentioned: Man, as a thought being, is a self-producing being who, in the cognitive production of his world, produces himself. It is therefore an expressive being that expresses itself in its world.

As a physical being, man is a being subject to impressions, completely determined by the action of his environment. Thus a being that in order to secure its existence must strive to seize these impressions. Expressing oneself creatively and seizing impressions are thus opposed to each other. Thus, destruction money has the character of seizure money and creation money has the character of expression money.

Real-Estate Credit Contributes to the War of All Against All

With these points of view in mind, let us first consider the money created by so-called real estate credit, thus money created by the granting of credit on unprocessed land. This is typical seizure money with the aim of obtaining means of subsistence by seizing nature resources. It is typical seizure money because unchanged natural resources lack any expressive content. This money therefore not only has no expressive value, but no value at all, because its mode of creation cannot contribute to human physical or spiritual existence. As a false value, it thus distorts the overall balance of the economy. Moreover, it represents the body-related principle of civilization and is therefore unholy money, destruction money that contributes to the preparation of the war of all against all.

Thus, mortgage money is a real cult symbol. It should be counterbalanced by a real symbol of the cult of humanity. This, in contrast to the lust for seizure, could extend gratitude toward the Earth. For we owe the Earth the greatest debt of gratitude, because, as the Mother of all the processes of nature, she gives us our bodies and thus the physiological basis for our freedom. This gratitude should leave its mark on our dealings with the Earth, her substances, forces and ceatures. It should determine not only our technology and the way in which we cultivate the Earth, but first and foremost our mindset, which should also find its expression in feasts (Michael's Feast). This mindset would have just as important a healing effect on the seriously diseased Earth as certain agricultural and ecological measures. The human capacity for expression could be used here in a particularly effective way.

Wage Money As a Root Cause Of Unemployment

Let us take wage money as the second topic of our consideration. This is also paid out for an pseudo value. Admittedly, every performance also results in a change in the performer. "The shaper forms himself" (Hegel). However, this change remains attached to the personality and cannot be sold as a commodity. Neither does it have to be, because it is directly operative in the encounter exchange and works free of charge (business environment). The product or partially finished product could, however, be paid for. It would have to be valued according to the basic need formula. But that is not a wage table either since in a economy based on a fully division of labor the product is not sold either, but passes into the total economic process. The basic formula then only has a value determining function. Wage money thus amounts to self-perpetuating seizure. In addition to excessive rationalization, it is a root cause

of unemployment. In a complete labor-sharing economy, the work performance is donated, given away and thus passes into the total value-creating process along with its result and the need of the performer (according to collective and individual criteria) is given back. Only in this way is it possible that the creation and distribution of surplus value becomes so absorbed in the process and flows from it that the highest value-creation is guaranteed, not as quantitative value-maximization, but as the creation of expression values. These are the only ones that are holy. The self-sufficient retention of surplus value is an expression of weakness and therefore unholy and unhealthy.

Instead of Speculative Money Endowment to the Free Spiritual Life

This applies to an even greater extent to speculative money created by stray capital. The nominal values thus created are expressionless pseudo values that are not related to expressive value creation. Instead of speculation money, there should be gift money to the free spiritual or cultural life. Such an endowment can be considered true speculation, the hallmark of speculation being a return that is disproportionately large in relation to the stake. Through an endowment to the free spiritual life, the highest speculative gains can arise. For a comparatively small endowment to a bearer of the free spirit can enable him or her to perform unusual feats. The speculative gains accrue not to a single person, but to the community. The expression value can be exceptionally great (trust money).

Instead Of Interest Money Credits On Future Performance

Let's talk about interest. The income gained as interest from a constant nominal amount is impossible, if one conceives of money in strict correlation with its value coverage by goods. As its value devalues, its money value must also devalue. Moreover, saving is also not an achievement worthy of reward. Instead, there could be credits on future performance. Those credits create an enhanced ability to cover earlier needs that is amortized by the renunciation of need-to-know at a later date. Waiving fulfillment of demand instead of saving (in contrast to unholy hoarding) has a place within the functional context of an expressive total event.

Mortgage money, wage money, speculation and interest money are therefore unholy types of money, which are to be counterbalanced by expressive, holy types of work

and money, namely thanksgiving, performance-focused gifts, free gift speculation (in the sense of trust money referred to here) and the renunciation of fulfillment of demand in order to amortize a credit for the fulfillment of demand.

Therefore, from the view point of the cult of ideas and the sacred effects proceeding from it, only such means of transfer can assume a real (healing) monetary function that remain in constant correlation with human expressive creation. They cannot therefore be tied to static correlations. These human expressive creations must undergo a change for two main reasons:

1. It lies in the nature of human expressive creation that thereby (as indicated here) Man is changed, that thus also the individual as well as epochal style of expression undergoes a development, leaving older obsolete forms of expression behind.

2. No material medium can maintain its level of expression in the long run, it decomposes; the expression that is imprinted is all the more permanent, the less the material nature of the medium is absorbed during the transfer of the expressive value by the recipient. Works of art are therefore all the more stable in their expressive value, the more matter by them is destroyed through the form. Of all value creations, works of art are therefore the most stable in expression and thus in value. Their stability of value can as a result enter into a contrast with their temporary validity.

Sacred, holy money must therefore be expression money, dynamized money, - a healthful, peaceful monetary order must be a dynamized monetary order.

Viewpoints Towards a Sacred Monetary Order and Oases of Humanity

Thus whoever would like to do something that can stop the decay of our earth and the decline of our world, may adopt the most broad-minded, grandiose point of view. These are the viewpoints that can lead to the emergence of the featured sacred monetary order. These are: Thanksgiving to the Earth in a festive-serious mood; performance-focused gifts to a society organized exclusively according to criteria of expression; free gift speculation according to a trust that places all its hope only in individual originality and the renunciation of the fulfillment of demand with a view to strengthening fulfillment of demand. These are both the technical and emotive characteristics of a dynamized monetary order. In oases of humanity they could be cultivated as models of new community forms in view of the emergence of new social groupings that will probably soon replace the older ones. Of what can arise today, only oases of the cult of expression are likely to remain.

I know that there is nothing more obvious than to label thoughts of this kind that I have allowed myself to express as utopian. If they were not so in relation to the current situation, they would be worth nothing.

These are peacemaking thoughts. Against them stand thoughts that unconsciously (and sometimes also consciously) bring closer the War of All Against All with all the brutality of the power behind them.

Since we are no longer far from Christmas, a statement made by Rudolf Steiner on December 21, 1916 in Basel comes to mind when one could still cherish the hope that the worst would not happen. Since we are again, in the run-up to Christmas, on the threshold of the worst of tidings, but also in a situation which still leaves room for hope, should we decide to act decisively, Rudolf Steiner's words are as valid and shocking as they were then:

"It must cut deep in the heart that we live ... in a time in which the longing by people for peace is being bellowed against." [This roar comes not only from the threat of war, but much more from the homage paid to the unholy cult, as I tried to make clear]. "Today, while we are not yet facing the very worst, let us cherish the hope that souls may come to repentance, and that instead of that bellowing against the desire for peace, a Christian feeling, a will for peace may come. Otherwise, perhaps not those who are at present governing in Europe, but will be those who will one day avenge from Asia that roaring against the yearning for peace, who will have to proclaim to mankind, on the ruins of European spiritual life, Christianity and the Mystery of Golgotha."

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