

THE FUNDAMENTAL SOCIAL LAW: THEORY AND PRACTICE

GARY LAMB

This is the first of a series of articles on Rudolf Steiner's social ideas by Gary Lamb that will appear in *Biodynamics*. The articles will cover the Fundamental Social Law and the threefold nature of social life, including the principles of an associative economy as described by Rudolf Steiner.

AUTHOR'S INTRODUCTION

Rudolf Steiner (1861-1925), the founder of biodynamic agriculture, was not only concerned with developing new production methods based on a spiritual knowledge of nature and the human being, he was also concerned with developing the appropriate socio-economic forms that would enable these methods to be available "to the largest possible areas over the whole earth so that the earth may be healed and the nutritive quality of its produce improved in every respect."¹ To this end, he advised Ehrenfried Pfeiffer, one of his students who brought biodynamics to the United States in the 1930s, to not only study the natural sciences, but economics as well.

Even before Steiner gave the 1924 biodynamic Agriculture Course in Koberwitz, Germany, which was hosted by Count Carl and Countess Johanna Keyserlingk, Steiner worked closely with the Count developing new social forms for agriculture. These efforts were based on the Fundamental Social Law and the threefold social organism. One such initiative was the Coming Day holding company that combined business and cultural initiatives. Count Keyserlingk was the manager of the Coming Day's agricultural property. This effort succumbed to the forces of hyperinflation that overtook Germany after World War I.

However, since that time many founders and activists in social initiatives and movements around the world have been inspired by Steiner's social ideas. These initiatives and movements include community supported agriculture, community land trusts, ethical banking, the Green Party, complimentary currencies, school choice, medical freedom, organizational development, and communities that care for the elderly and people with special needs. Even so, the impersonal, competitive market system has proven to be very challenging for biodynamic agriculture as a whole, and it has not flourished the way Steiner had hoped it would, particularly in the United States, other than with some direct marketing approaches and in certain market niches. This and subsequent essays on Steiner's spiritually based social ideas are being presented to help stimulate the creation of new economic forms for agriculture in general and to expand the influence and reach of biodynamic methods in particular.

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Ants and bees instinctively live by it. Indigenous peoples still refer to it. Great spiritual leaders have always known it. And modern humanity needs to consciously learn it anew. It is the social maxim that cooperation, mutual aid, and a concern for others benefit society more than self-interested behavior, com-

petition, and the desire for personal gain.²

Rudolf Steiner—spiritual scientist, educator, and social reformer—began speaking and writing about this maxim as early as 1905 and 1906. He referred to it in various ways for the rest of his life, calling it "the fundamental social law," "a fundamental principle taken from the spiritual world that underlies social science and social life," "an ancient tenet of spiritual science," "the most ancient theme of every esotericist," and "a law that works as surely as the laws of nature."³

One way to express the Fundamental Social Law in contemporary terms is as follows.

*The more an individual works for the benefit of society or the needs of others, and the more society ensures that each worker is supported sufficiently to lead a dignified existence, the greater the well-being and prosperity of society will be.*⁴

As individuals we can try to apply this Law in life in small ways to whatever position we may hold, but to apply it on a broad scale will require new thinking and the transformation in some degree of virtually all our conventional social institutions. Such transformation would need to include our educational system from kindergarten to graduate school, forms of corporate ownership, economic markets, financial institutions, and government agencies. Our existing social institutions for the most part aid and abet competitive self-interest and the desire for personal profit, stunt social forces latent in the human being, and thwart individual and group efforts to work out of inner ideals and altruism.⁵

Despite this, an astonishing number of socially, civically, and environmentally responsible initiatives have sprung up over the last two decades worldwide with relatively little public notice. This radical shift in human consciousness and intention is documented in notable works such as *The Great Turning: From Empire to Earth Community* by David Korten and *Blessed Unrest: How the Largest Movement in the World Came into Being and Why No One Saw It Coming* by Paul Hawken.⁶

Steiner maintained that the Fundamental Social Law should be viewed not merely as an ethical aphorism but, more importantly, as a law of human interaction that needs to become the foundation for a new economy based on associative cooperation.⁷ Over the years, Steiner gave various corollaries to this Law, particularly when referring to economic life. The following are some of these corollaries.⁸

Poverty, want, and suffering caused by social arrangements are the result of self-interest or personal egoism.

The more that people in a society or community work out of self-interest or personal egoism, the more poverty, want, and suffering will become manifest somewhere, sometime. Persons directly involved in a given exchange may not be visibly affected, and these effects may not occur immediately, but they will occur as assuredly as the law of gravity affects physical objects. Today, more so than in Rudolf Steiner's time, we can also say that personal egoism and greed are major contributing factors to the environmental exploitation and the resultant environmental cri-

sis we are facing.

The Fundamental Social Law is a stunning contrast to the prevalent idea that the more that people are encouraged and enabled to operate out of self-interest and competition, and to accumulate personal profit, the more society as a whole will prosper.⁹

Social institutions and communities are a reflection of the attitudes, thoughts, and feelings of the people who created them and who continue to be a part of them.

Socially responsible institutions result from socially minded people who exhibit social sensitivity and social skills. Antisocial institutions are the result of antisocial thoughts and feelings residing in people. Overcoming antisocial features of an organization or a community requires more than making external changes in governance or administration or simply improving outer conditions for workers. Equally important is for people who work in, manage, and even invest in organizations and communities to continually strive to overcome their own antisocial tendencies by changing their thinking and refining their feelings.

Interest in others is the foundation of social life.

Progress toward an economy permeated with social responsibility is dependent on people having increased interest in others in all aspects of economic life. Consumers need to develop interest in those producing and delivering their goods and services, producers need to be truly concerned with the real needs of their consumers, investors need strong interest in the well-being of workers, and so on.

In order to overcome self-interest or egoism, a person needs a spiritual worldview or cosmogony.

Neither a fragmented materialistic worldview nor religious dogma can engender sufficient inner power to overcome personal egoism in economic life. Economic necessity, the struggle for existence, and brutal competition require a counterbalancing spiritual worldview or cosmogony that illumines the origin and evolution of the universe, the interconnectedness of all beings and activities in the cosmos, and the role that economic life has and will play in earthly evolution. On an individual basis, a comprehensive spiritual worldview can give people a sense of their individual destiny and support them in understanding how to make the best of the circumstances in which destiny has placed them. Spiritual efforts on behalf of humanity are never wasted regardless of one's position in life.

Organizations and communities need a spiritual mission that can be experienced by all participants.

Abstract ideals and theoretical mission and vision statements provide little motivation for an individual to overcome self-interest. All tasks need to relate to a spiritual mission in a concrete way. People need to feel that their work contributes to

the overall betterment of humanity and to evolutionary goals. We are at a time in human evolution when even the most trivial matters and activities need to be connected to a divine purpose.

Workers and community members need to feel and know the part they are playing in the progress of humanity whatever their task. Individuals can only overcome personal ambition and competitive instincts by freely engaging in a great cause of their own choosing embodied by an initiative or community of which they are a part. As Booker T. Washington, a former slave and founder of the Tuskegee Institute, said:

In order to be successful in any kind of undertaking, I think the main thing is for one to grow to the point where he completely forgets himself, that is, to lose himself in a great cause . . . In this way in the same degree does he get the highest happiness out of his work.¹⁰

The spirit of the organization or community needs to be felt by all participants. To the degree it is not, egoistic, antisocial forces will prevail.

For cooperation and effective group collaboration everything depends on the disposition or attitude with which people meet and interact with each other.

Every human gathering or association is an opportunity to work in a positive way with higher beings. In Christian terms, this possibility is expressed through the words of Christ: "Wherever two or more are gathered in my name, I am in their midst." Real interest in others and tolerance for other people's viewpoints and opinions create the conditions for beneficent beings to participate, assist, and inspire a group of people. The more people are divided through prejudices, self-interest, and competition, the less spiritual beings can help. The spirit of the community can become a living reality for its members through human fellowship. Economic life provides untold opportunities for human associations to form that can help accelerate the re-spiritualization of the earth and human institutions.

Working in harmony with the Fundamental Social Law and the principles of cooperation and fellowship in economic life will require a new art of conversation. This new art will foster attentive listening with the soul and speaking out of spiritual insight and truthfulness. Marjorie Spock's essay of "Goethean Conversation" is one effort in this direction. Another is the non-violent communication approach developed by Marshall Rosenberg.¹¹

Developing a greater interest in others requires the ability to think in pictures or imaginative thinking.

We need to be able to picture economic transactions and their effects on people and nature, and not think about them abstractly. We need to be able to picture the situations of others, to picture the many-sidedness and complexity of exchanges. Imaginative thinking brings us closer to other people, while abstract economic thinking tends to make us stubborn and indifferent to the conditions and needs of others.

An economic life based on social responsibility requires an educational approach and cultural life that foster imaginative or pictorial thinking rather than focusing exclusively on abstract thinking.

Antisocial forces need to be counterbalanced by the continual fostering of social forces within the human being.

Both social and antisocial forces reside in the human soul. However, an increasing sense of individualism is part of modern human evolution, with the natural consequence that egoism and the antisocial forces within the human being are growing ever stronger. These antisocial forces need to be counterbalanced by ever stronger social forces. These social forces can be fostered in three ways: (1) through an appropriate education of children that strengthens not only a child's individuality but also social understanding, social sensitivity, and social skills;¹² (2) through adults' taking up specific inner exercises to foster social forces;¹³ and (3) through creating outer social forms and structures that foster social responsibility rather than self-interested behavior.¹⁴

If people are to work for society or for a community instead of themselves, they will need to feel they are equal and worthy members in the community.

Everyone needs to feel in some way they are equal and worthy members in a community regardless of their position, title, or responsibilities. This need leads us into the field of rights and highlights the necessity for democratic equality. The feeling of human equality at some level is a necessary prerequisite in a community where individuals are striving to work altruistically.

Labor is a rights issue, not an economic one. All workers should receive a living wage.

Even if individuals live out of a spiritual worldview and the organization or community of which they are a part has a spiritual mission, they will be forced into the egoistic struggle for existence if they do not receive sufficient income to meet their basic needs.

The support of workers should not be a matter of simply accommodating the forces of supply and demand of the market; workers should be supported so that they are freed to work for society rather than simply working for money. Salaried positions are more in keeping with the Fundamental Social Law than commission-based income tied directly to worker output.

All workers, regardless of their position or title, who labor on behalf of society to meet expressed needs should have a right to a living wage, an income sufficient to meet the basic necessities of life and to lead a dignified life in keeping with the general standard of living of a given society. In a healthy society, this would be a fundamental democratic right that the economy would need to take as a given just as it needs to take as a given the availability of natural resources.

However, this right should not be construed as a guaranteed wage for capable people who are unwilling to work even though they consume goods and services produced by others.

Labor should no longer be viewed as an economic commodity.

Workers and management alike should be treated as co-producers and co-owners of products and share in the overall proceeds of production. In so doing, they will both need to share appropriate responsibility for the efficiency of production and the quality of goods and services produced. Productivity and efficiency will need to become ethical responsibilities freely carried by all workers and management on behalf of society.

Vocation and socially responsible ideals need to unite.

In the future it will become more and more important for people feel a harmony between socially responsible ideals and their outer work. This connection will be undermined to the degree that through social circumstances or economic necessity a person is compelled to work solely (and soullessly) for money. Henry David Thoreau spoke eloquently on this issue of work and income in the following way:

The ways by which you get money almost without exception lead downward. To have done anything by which you earned money merely is to have been truly idle or worse . . .

The aim of the laborer should be, not to get his living, to get "a good job," but to perform well a certain work; and even in a pecuniary sense, it would be economy for a town to pay its laborers so well that they would not feel that they were working for low ends, as for livelihood merely, but for scientific, or even moral ends. Do not hire a man who does your work for money, but him who does it for love of it.¹⁵

Work will take on a sacramental nature.

Human labor has evolved over time from tribute and slavery to serfdom to paid labor. Labor in the future will become a freely given offering or sacred service to humanity and will be a response to real social and consumer needs.

The love of work and a concern for humanity and social life are essential learning goals in an educational system working in harmony with the Fundamental Social Law.

From a cultural perspective, it is a legitimate form of self-interest or egoism to want to develop all one's individual capacities. So too, the people who can best serve humanity are those who develop their capacities to the fullest. Therefore, the full development of students' individual talents and capacities is an important part of education. However, the love of work, the ability to work, and the sensing of the needs of others are also capacities that need to be a part of the educational curriculum of children in a modern education. The opportunity to serve others should give real joy to a person; a person's love for the social organism should live as strongly as an artist's love for his or her work. It is also a healthy social instinct to feel an obligation to

give back to society at least in proportion to what we have received from it. Those who are more capable should give more, and those who are less capable may give less.

The desire for personal profit and personal acquisition are not fundamental aspects of human nature. The significant prevalence of these desires in modern life is due to their being inculcated by educational systems and media that are dominated by self-serving economic interests.

Vocational trainings, whether in the field of farming, business, teaching, art, religion, or research, need to illuminate why and how a particular vocation serves humanity, to encourage character development and to develop an understanding of the Fundamental Social Law and the threefold nature of social life.¹⁶

In general, the fostering of social forces in the human soul will require an educational system independent of economic and political interests and which allows spiritual, ethical, moral interests to develop.

Working for others is inherent in the division of labor.

When the division of labor is applied in the economic process, it is not possible to simply work for oneself. The results of the work we do are not our own but are given over to the total production process. Through the division of labor we become part of a united effort to create a complete product or service. The application of the division of labor is outer altruism. Even so, workers inwardly often work against this altruism insofar as they are working mainly for money out of economic necessity or personal ambition.

The organizing principle for an economy working in harmony with the Fundamental Social Law will be neither impersonal competitive markets nor a centralized state, but a new third way of organizing economic activity: collaborating associations.¹⁷

Associations of individuals and groups—the actual stakeholders in the various sectors of production, distribution, and consumption—who share perspectives and information will organize economic activity. Such associations, freely formed, will foster conscious collaboration and fellowship, rather than instinctual self-interest and competition. Individual and networks of associations will determine the allocation of resources; the quantity, quality, and types of goods and services to be produced; and the appropriate prices. We can see the beginning of such associations in the community supported agriculture and fair trade movements.

Appropriate or “true prices” arise when workers receive sufficient income to meet their needs along with those of their dependents.

Workers should receive sufficient income to meet their own and their dependents’ needs while they are producing a product or providing a service for society. True prices, prices that take into consideration the full cost of production and distribution on the one hand and consumer income on the other, will arise through cooperation of the various producer, distributor, and consumer associations. This cooperation, in turn, rests on

the healthy relations of the three sectors of society: cultural, political, and economic. Factors that affect prices in relation to these sectors are, respectively, the needs and taste of consumers, the right of workers to a living wage, and worker efficiency.

In reality, people do not live by money. They live through the work of others.

Hidden behind every transaction or exchange is an untold amount of human labor. To think that one lives simply by money and not through the labor of others indicates a lack of interest in the well-being of others. With every gift, purchase, or loan we express our interest or lack of interest in our fellow human beings.

In the future, people will need the social sense to recompense society, to the degree one is able, with an amount equivalent to what one has taken and used up. Since we live by the labor of others, we can only recompense society through our own labor. The fact that monetary wealth can increase in the possession of capable individuals who have not contributed an equivalent value to society is an indication of social illness and injustice. Such individuals gain undue power to command labor for their own needs without recompensing society to an equivalent degree with their own labor. These thoughts also reveal the anti-social nature of wealth gained through speculation in real estate, stock, and currencies.

The value of money should not increase but diminish over time.

Since money is a medium of exchange for commodities, the life cycle or durability of money should be consistent with the nature of commodities. Commodities wear out, and services are used up over time, unless they have been worked on, refurbished, or extended in some way through human labor or human ingenuity. If money is to remain true to its nature and purpose, it should also wear out or diminish in value over time. And the overall amount of money should increase to the degree that additional values can be created in the form of goods and services that meet consumer demands.

The alternative money or complementary currencies movement includes experiments in time-dated or depreciative currencies such as the successful Chiemgauer currency started by Waldorf students in Germany. These experiments are hopeful steps in harmony with the Fundamental Social Law.

Land and other means of production should no longer be treated as commodities used for personal gain.

Real economic values and resulting wealth are created through work that meets human needs. From this perspective, land that has not been improved or worked upon in some way has no economic or commodity value.

Personal wealth gained from buying and selling land comes from society as a whole. It is a financial burden on society that falls most heavily on low-income people and small local businesses who suffer the most from increased rents.

The right to exclusive use of land should be considered

both as a legal and a cultural issue. It is a rights issue insofar as everyone needs access to land, if only to have a home. In addition, capable people who want to use land to produce something that will benefit to society need the exclusive right to the use of land for a period of time. To gain exclusive ownership of land through personal economic power and then sell it for personal profit turns land rights into land abuses. The escalation of land prices owing to land speculation is a major contributing factor to the spread of poverty and the uneven distribution of wealth.

The determination of how land is to be used and who is to have use of it should be made through the collective wisdom of a community, which is a cultural capacity based on knowledge and experience.

What has been said about land is also true for other human-made means of production. Whereas land is “God given,” a human-made means of production can arise only through complex factors involving the whole of society. Like land, it should be considered a community rather than a personal asset. This does not mean that land or any other means of production should be owned or controlled by the state. Rather, they should be held in trust for a community in some way. Community land trusts are an example of a legal vehicle that can remove land, structures, and capital equipment from commodity circulation but still make them available for personal and productive use as determined by the trustees through leases or other legal arrangements.¹⁸ Another example is community owned department stores.¹⁹

IN CONCLUSION

The full realization of the Fundamental Social Law will require overcoming self-interested behavior both inwardly within the human soul and outwardly in our institutional structures. This will necessitate the development of social institutions formed in harmony with the threefold nature of social life. The threefold social organism consisting of three relatively independent spheres or sectors of society—spiritual-cultural, political or legal, and economic—will be the subject of the next article in this series in *Biodynamics*. Subsequent articles will focus more specifically on developing a socially and environmentally responsible economics.

NOTES

1. See Ehrenfried Pfeiffer’s Introduction to Rudolf Steiner’s *Agriculture* (London: Rudolf Steiner Press, 1974).

2. A classic nineteenth century work on mutual aid is Prince Kropotkin’s *Mutual Aid: A Factor in Human Evolution* (New York: Dover Books, 2006). Cooperation and mutual aid are also prominent themes in the Iroquois Confederacy’s oral constitution “The Great Law of Peace.”

3. Sources for quotations from Steiner and for other references to the Fundamental Social Law and its corollaries can be found in the booklet “Selected Passages from Writings and Lectures Related to the Fundamental Social Law,” compiled by Gary Lamb (Loma Mar, CA: Institute for Social Renewal, 2007).

Copies may be obtained for \$10.00 plus shipping by contacting garylamb@taconic.net.

4. The various formulations of the Fundamental Social Law can be found in “Selected Passages from Writings and Lectures Related to the Fundamental Social Law,” cited above.

5. For a validation of the principles of self-interest and competition in economic life see, e.g., Milton Friedman, *Capitalism and Freedom* (Chicago: The University of Chicago Press, 2002) or see Bill Gates’ January 24, 2008, speech at the Economic Forum in Davos, Switzerland, available at <http://www.gatesfoundation.org>.

6. David Korten, *The Great Turning: From Empire to Earth Community* (San Francisco: Berrett-Koehler and Bloomfield, CT: Kumarian Press, Inc., 2006) and Paul Hawken, *Blessed Unrest: How the Largest Movement in the World Came into Being and Why No One Saw It Coming* (New York: Penguin Group, 2007).

7. For more on associative economics, visit <http://www.ae-institute.com>.

8. While I have drawn significantly from Steiner’s writings on the Fundamental Social Law, I am responsible for the modern characterization of the Law and the corollaries as presented here. This includes references to people and organizations after Steiner’s time who I believe are working to some degree in harmony with the Law. These corollaries will be expanded upon in future articles.

9. A reference often used to validate this viewpoint is Adam Smith’s *The Wealth of Nations*, originally published in 1776.

10. Booker T. Washington, *Up From Slavery* (New York: Bantam, Pathfinder edition, 1967).

11. Marjorie Spock, “Group Moral Artistry II: The Art of Goethean Conversation” (Spring Valley, NY: St. George Press, 1983). For more on nonviolent communications, visit <http://www.cnvc.org>.

12. As the founder of the Waldorf school movement, Rudolf Steiner incorporated these goals into the Waldorf school curriculum.

13. Steiner gives examples of such inner exercises in the lecture “Social and Antisocial Forces” (Chestnut Ridge, NY: Mercury Press, 1982).

14. This is one of the main characteristics of a threefold social organism, to be explained in a subsequent article.

15. Henry David Thoreau, “Life Without Principle,” in *Thoreau: Walden and Other Writings* (New York: Bantam Books, 1965), 358-359.

16. The next essay in this series will be on the threefold social organism.

17. The principles of economic associations will be explained further in subsequent articles.

18. Organizations in the United States working with community land trusts are Equity Trust, Inc. (<http://www.equitytrust.org>), Institute for Community Economics (<http://www.iceclt.org>), and the Schumacher Society (<http://www.schumachersociety.org>).

19. See <http://www.newrules.org>.

Gary Lamb has been a student of Rudolf Steiner's social ideas for thirty-five years. He has management experience in for-profit and not-for-profit organizations, including Weleda, Inc., Hawthorne Valley Farm, Hawthorne Valley School, and the Social Renewal Foundation. He was a founder and managing editor of *The Threefold Review*, a magazine that focused on Steiner's social ideas. Currently, he is a founding board member of the Institute for Social Renewal (ISR), an independent think tank, and The Education Alliance for Children in New York State (TEACH NYS), a political advocacy organization promoting school choice legis-

lation in New York. Gary has written two books, *The Social Mission of Waldorf Education* and *Wellsprings of the Spirit*, and compiled a research monograph, *Independent Schools and School Choice Legislation in the United States*, which are available from AWSNA Publications.

If you would like to comment on this or forthcoming articles, Gary can be contacted at glamb@socialrenewal.com or (518) 392-9620.

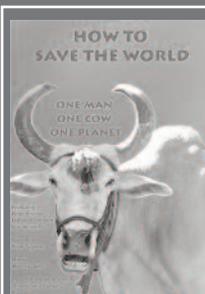
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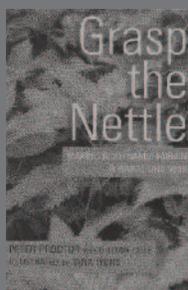
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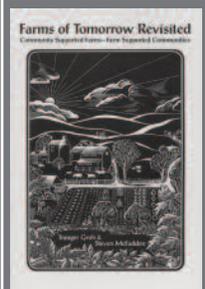
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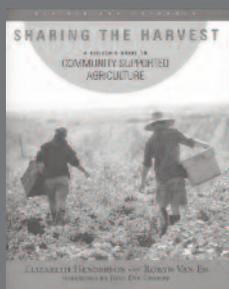
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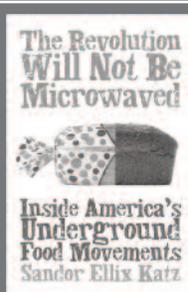
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