

Green Thoughts on Economic Theory

IN MODERN ECONOMIC THEORY, Land, Labor, and Capital have been designated the primary elements of production. Land, in this designation, includes the whole of the natural world; it takes in all the forms and residues of life; it encompasses Air, Water, Fire—the three elements that, along with Earth, constitute the fundamental ingredients of life in the thought of ancient cultures. Labor, in the modern framework, does not refer to people generally or to reproductive labor specifically. It means deliberate production by paid personnel for the market and mass consumption. As a category within Economic Theory, Labor is only as old as industrial civilization, out of which the “science” of economics arose. Labor, in this respect, is linked closely with an exchange or circulation of money; that is, Labor is purchased human energy in an economic context in which virtually all necessities, luxuries, and armaments are forced through the monetized market prior to consumption.

When Labor is replaced by machinery, automation and robotics, the new form of productive energy becomes Capital. Modern Capital, through innovative technology, makes Labor obsolescent and Land obsolete. As Aldo Leopold said in *A Sand County Almanac*: “Your true modern is separated from the land by many middlemen, and by innumerable physical gadgets. He has no vital relation to it; to him it is the space between cities on which crops grow.”¹ Or, as Harry Braverman put it in *Labor and Monopoly Capital*: “The more science is incorporated into the labor process, the less the worker understands of the process; the more sophisticated an intellectual product the machine becomes, the less control and comprehension of the machine the worker has.”² Now Capital is the totality of those things (buildings, machines, tools, technologies, systems—the infrastructure, in short) and the “medium of exchange” (money in its various forms) that govern actual productivity in any capitalist economy,

corporate or state. Since Economic Theory only pertains to the formal or monetized economy (backyard gardens in the United States produce an estimated twenty billion dollars worth of food each year, but this is only a nuisance and distraction to Economic Theory), functional Capital in the form of tools, machines, buildings, trucks, tanks, bombs, and so on, is considered *as* Capital or *owned* by Capital.

Of the two basic forms of Capital—the actual infrastructure on the one hand, money on the other—money is the most elusive, fluid, volatile, and peculiar. Money can “create” jobs. This is the official rationale behind tax cuts for the wealthy: that the owners and managers of Capital will invest this concentrated energy in productive industries and, by so doing, create more jobs and increase the standard of living as the economy expands. Without the energizing directives of Capital, it is asserted, Labor would come to a complete standstill. (Serfs without the manor lord have no motivation . . .) Without Capital, it is assumed, productivity would stop. Without money and the directives of Capital, there would be nothing to do, nothing to watch on television, and nothing to eat. Without Capital, Labor has no motive and Land is without value.

Now, Labor is the “Bodily exertion or effort directed to supplying society with the required material things; the service rendered or part played by the laborer, operative, and artisan in the production of wealth, as distinguished from the service rendered by capitalists or by those whose exertion is primarily and almost entirely mental.” *Webster’s* linking of capitalists to “those whose exertion is primarily and almost entirely mental” is supported by the etymology of Capital; the word derives from the Latin *caput*, meaning head. (Cullen Murphy, in *Are We Rome?*, says “class stratification of Roman society was extreme . . . Rome’s wealthiest class, the senatorial aristocracy, constituted by one estimate two thousandths of one percent of the population; then came the equestrian class, with perhaps a tenth of a percent. Collectively these people owned almost everything.”³) Capital, in Economic Theory, is a concept that crystallizes the “ideal planning” of utopia; it is the concentrated and accumulated energy owned and directed by the hierarchical elite. In a natural sense, Land is as old as the Earth itself, as old as life in all its forms and residues. Labor is certainly as old as life, for all life needs to eat, and the eaten generally doesn’t volunteer without persuasive exertion on the part of the eater. Life needs to sustain itself, and that invariably involves effort. Life *lives* on life; and all life, one way or another, resists being consumed, resists death,

resists extinction. Labor is the energy expended in the effort to live, consume, and reproduce. For the vast bulk of human history, this effort was a highly personal “hands-on” subsistence experience. But utopian society (especially since the rise of modern industry) has devised manipulative technological complexities by which food emerges magically from money. Any child with a quarter knows this to be true. Or, to put it in more analytical terms, Land no longer produces food, nor does Labor. Capital does. This is, in essence, the production and reproduction of things through the medium of the utopian machine; and this machine is Capital.

Capital in the sense of tools dates back, obviously, to early human society. It is probably true that tools, while the products of collective evolutionary intelligence, were essentially considered personal property, but without what we understand as legal sanction. Property could become *legally* private only with the immense hierarchical structure of that recent human creation, civilization. Formal law creates precise boundaries enforceable through legal institutions and armed force. It may be that machines go back in time nearly as far as tools, if we consider levers, mortars and pestles, or bows and arrows as early forms of machines. The designation is ambiguous in its very etymology, for the word derives from the Latin *machina*, meaning device or trick. The word *machinate*, to contrive a harmful scheme, derives from the same root. But *machina*, the Latin word, comes from the Greek *mechos*, meaning expedient. Mumford, of course, asserts that the expedient machine of many moving parts has its prototype in the *human* machines of the earliest civilizations: the irrigation workers, the troops of the army, the pyramid builders. These expedient machine people (whom we would today call personnel) were probably slaves. Technically, they were Capital, owned and operated, bought and sold.

Money, too, is considered by historians of antiquity to have been in existence far back in human society. Money or its prototypes, some special and magical objects, held a value or was invested with meaning quite beyond its intrinsic natural worth; it was specially endowed with symbolic energy; to have it was to hold a heightened power, to feel more powerful and secure. Money was, one might say, a kind of magic that developed a social function, a power to shape patterns of economic conduct. And as the coins of early civilizations were often stamped with an image of divinity, then money has had—and continues to have—subtle connections to the realm of the sacred and the transcendent. “In God We Trust.” But money also carries a hidden sexual symbolism. Cowrie shells, for instance, which

resemble the female vulva, were a form of currency in some early cultures. Freud linked money to an infantile fascination with feces. But it is my belief that Freud was wrong—or, if not wrong, then only partially correct. Money is sublimated sexual energy. It may well represent both female fertility and male potency—penis and womb, egg and sperm. But money may also be gender-specific in its utopian or civilized form. (Anecdotal evidence can be found, for instance, in *Confessions of a Stockbroker: A Wall Street Diary* by a writer who calls himself Brutus: stockbrokers, Brutus says, “tend to be hypermale, equating money with power, and with the penis, if you must carry things to their logical conclusion.” Brutus also says that men “equate adventures with money and adventures in sex,” but women “often use money and the stock market in quite a different way, as a club against their husbands and fathers. Stock market activity for them is always a rebellion *against* sex, a liberation from the sexual roles forced upon them by the male.”⁴ The unabridged *Webster’s* is suggestive in possible connections between the Anglo-Saxon *geld*, meaning tribute or payment, and the Middle English *gelden*, meaning barren, not giving milk, but also castrated and deprived of anything essential. So to “geld” a people or a territory is to tax it of its essentials, its money, milk or sperm, its wealth, fertile women or virile young men.)

But Land, Labor, and Capital as theoretical constructs in Economic Theory grew out of early modern capitalism. Yet, interestingly, the first “complete system” of economics, according to the *Columbia Encyclopedia*, was propounded by eighteenth-century French physiocrats. (The term physiocracy comes from the Greek words *physis* and *krates* that mean, respectively, nature and partisan. A physiocrat was, then, a partisan of nature.) The *Encyclopedia* says that the founders of physiocracy believed

... all wealth originated with the land and that agriculture alone could increase and multiply wealth. Industry and commerce, according to the physiocrats, were basically sterile and could not add to the wealth created by the land. They did not advocate that industry and commerce be neglected in favor of agriculture, but they tried to prove that no economy could be healthy unless agriculture were given the fullest opportunity.⁵

It seems significant that economics as a special intellectual discipline was first a doctrine of Land wealth. And, indeed, Land as the basis of wealth reflects the original meaning of the word economy—from the

Greek *oekonomia*, meaning household “management,” people provisioning themselves in household and village from the land and the commons. But physiocracy took shape in a country where the corrupt and oppressive feudal state was bursting at the seams with the misery of the common people. Peasants “formed at least three quarters of the population of the kingdom,” says Georges Lefabvre in *The Coming of the French Revolution*: “Of the land around Versailles peasant ownership accounted for no more than one or two per cent. Thirty per cent is a probable average for the kingdom as a whole.”⁶ Physiocracy was not an intellectual apology for feudal conditions or the manorial system; rather, it postulated a vision of economic conduct that would modernize farming and monetize the economy.

Economic Theory was quickly picked up, expanded, and modified by the English thinkers Smith, Ricardo, and Malthus. Adam Smith talked with the leading physiocratic theorist Francois Quesnay in 1764 or 1765. Once Smith was back in England (Smith and Quesnay had talked in Paris), Smith transformed French formulations on Land wealth in a way that reflected the emerging industrial structure of England. In 1776, Smith published his *Wealth of Nations*. The industrial revolution was getting underway. First Labor and then Capital was elevated into the wealth-producing throne, into the key and most important position. Economic Theory reflected the realities of political power, the shift in the forces of social organization and cultural structure from feudal conditions to mercantilism to entrepreneurial industry to capitalist consolidation.

Each component of Economic Theory has had its corresponding political expression. Land was held to be primary, as we have seen, by the French physiocrats. Land remained primary for the leading American political philosopher, Thomas Jefferson. Jefferson, himself a slave owner, feared that democracy would fail if uprooted from a close relationship with small-scale agriculture. (In part, this was a linking of economic self-reliance with political independence, with the latter dependent on the former. And, indeed, it is possible to correlate the decline of stable small-farm communities to the rise of cultural standardization. Folk culture everywhere has been characterized by village self-provisioning and an essentially subsistence-oriented life that utilized the market or cash economy infrequently, if at all. Civilization, on the other hand, rationalizes all forms of production and expropriates as much of that production as possible. In the industrial revolution, civilization refined its prototype machine and used it to suck folk culture dry.)

Capitalism contends that ownership of the means of production (Land, access to a Labor *market*, industrial infrastructure, the advertising and education industries, and large reserves of fluid money) should be held by private individuals or in privately-owned corporations. These persons or corporations will then enlarge their stock of Capital through profit extraction, acquisition and merger, and will, as an inevitable consequence, generate more jobs—make room for more Labor—through expanded production by reinvestment. Of course, a substantial portion of this wealth will be siphoned off for stylish living by the owners and top managers as deserved reward for their creativity and risk. (Since it takes money to purchase commodities in a capitalist economy, people must be somehow provided with cash, or its equivalents, even if unemployed. But pure capitalism no longer needs the shell-game circulation of money to expropriate wealth when all productive infrastructure is owned by, or has itself become, Capital. The crisis of capitalism is, in one sense, the problem of money. Or, to put it differently, capitalism no longer needs a huge pool of consumers. In fact, when people as Labor are no longer needed, capitalism can suddenly become “environmentally conscious” and begin stressing the problems of overpopulation, although the current regime of so-called Christian conservatives has, as Kevin Phillips puts it in *American Theocracy*, a “preoccupation” with “maximizing the potential soul count for the hereafter,”⁷ and is therefore disinclined to advocate birth control or population limitation.) But overall, the prevailing theory holds, wealth will “trickle down” to everyone and the economy will be “healthy.”

Yet, if we look at the economic history of the past couple of centuries, we can't help but be struck with the shrinkage of Land in Economic Theory. This shrinkage correlates to the demolition of peasant culture and small-scale farming, with the explosion of industrial Labor under the control of consolidating Capital. The repudiation of rural culture, physiocracy, or Jeffersonian pastoralism has less to do with the inherent intellectual assets or liabilities of those cultural sensibilities than with the raw power of utopian Capital to shape society according to its ideal planning, peddling its ideology through economic priests. In this context, in the words of Harry Braverman:

Work ceases to be a natural function and becomes an extorted activity, and the antagonism to it expresses itself in a drive for the shortening of hours on the one side, and the popularity of labor-saving devices for the home, which the market hastens to supply,

Green Thoughts on Economic Theory

on the other. But the atrophy of community and the sharp division from the natural environment leaves a void when it comes to the “free” hours. Thus the filling of the time away from the job also becomes dependent upon the market, which develops to an enormous degree those passive amusements, entertainments, and spectacles that suit the restricted circumstances of the city and are offered as substitutes for life itself.

Thus the “care of humans for each other becomes increasingly institutionalized,”⁸ and new service industries are created to fill the cultural void.

Political power shifted from the landed gentry to urban industrialists, and the folk culture of the countryside was smashed in the process. From cottage weavers to field laborers, the old culture came to an end, crushed between the rise of industrial agribusiness and the factory mode of production. The changing focus of official Economic Theory reflected the power transformation of economic organization, a new consolidation of utopian power and intent. From this we might rightly conclude that Economic Theory, like the technology of utopia, is neither “neutral” nor “objective,” but mirrors the power structure of legal ownership and political control.

Green economics has yet to adequately contend theoretically with market factors in an ecological society. On the one hand, an ecological society is neither intensely consuming nor intensely polluting. On the other, the global perspective of Green politics promotes a great deal of cultural exchange worldwide. An ecological society cannot afford agribusiness or a “cheap food” policy or resource plunder of any sort. This implies recycling, durable goods, mass transit, renewable energy sources, and a great deal of localized gardening and small-scale farming. Rural population would rise dramatically in a Green society and much of its production in food and craft would never enter the market nexus. This kind of economic activity is at least one major factor in subsistence-oriented folk cultures. Green economics is, then, a radical eutopian departure from the utopian Economic Theory of either communism or capitalism. Contemporary Economic Theory has prided itself on its stand of “objectivity,” its “scientific” rationality, and its distancing from the moral stance of old-fashioned thinkers like John Ruskin. Green economics can and will promote the implementation of ecologically sound technologies, but it must also turn utopian economics on its head. Green economics must incorporate into its body of thought the dynamics of eutopian *culture*. A great deal of highly useful thinking has

GREEN POLITICS IS EUTOPIAN

already been done, from Peter Kropotkin's *Fields, Factories, Workshops* to Harry Braverman's *Labor and Monopoly Capital*.

But there are dynamics of depth psychology (the psychoanalytical space that brushes up against the spiritual) operating in our present crisis. Culturally and spiritually, we are about to find ourselves in a vast historic swing back *toward* nature. We need to study how this ties in to the dynamics of gender, sexual identity, and sexual symbolism in economics. We need to look again at how sexuality is identified with nurture and with nature.

NOTES

1. Leopold, *Sand*, 261.
2. Braverman, *Labor*, 295.
3. Murphy, *Are*, 100.
4. Brutus, *Confessions*, 135.
5. *Columbia*, 1542.
6. Lefabvre, *Coming*, 131–32.
7. Phillips, *American*, 241.
8. Braverman, *Labor*, 193.