

International Aspects of the Threefold Social Order

by

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An objection often made to the idea of a threefold organization of society is that any state that organizes itself on the threefold system must necessarily disturb its international relations with other states. Whether this objection makes sense can only be determined by examining the actual character of present-day international relations. In looking at the situation, what strikes one most is that in recent years the actual economic facts have developed along lines that are no longer congruent with national boundaries. The historical circumstances that determined these national boundaries have very little to do with the interest of the economic life led by the people living in those states. As a result, the national governments determine international relations in areas where it would be more natural for the economic groups directly concerned to do so. An industrial concern that needs the raw materials of a foreign nation ought to be able to obtain them by negotiating directly with the owners; everything pertaining to this arrangement should remain entirely within the economic cycle. It is plain to see that the economic life has recently assumed forms tending towards this kind of self-contained functioning, and in this self-contained cycle of economic life (which is gradually tending to become a worldwide unity), the intervention of national interests in circumstances that gave England dominion over India to do with the economic circumstances that make a German manufacturer go to India for his goods?

The catastrophe of World War I plainly shows that the life of modern humanity, as it strives toward the unity of worldwide economy, will not bear disturbance through national territorial interest. This disturbance lies at the bottom of the conflicts that Germany became involved in with Western nations. It also plays a part in the conflicts with Eastern countries. Economic interest required a railway running from the Austro-Hungarian territory toward the southeast. The national interest of Austria and the Balkan countries asserted claim, and the question arose whether what the economy required ran counter to these national interests. Capital, which is supposed to serve the economy, thus becomes involved with national interests. The states want the capitalist to be their service;

the capitalists want the concentrated power of the state to serve their economic interests. This the economy is imprisoned by national territories, while in the latest phase of its own development it is striving to spread beyond all national borders into a unified economic life.

The internationalism of the economy indicates that in the future the various regions of the world economy will need to enter into relations independent of the relations that various people may have through life interests outside the economic sphere. The states will need to leave the establishment of economic relations to those persons or groups engaged in the economic activity.

The cultural relations of the civilized world are not to fall into total dependence on economic interest, these relations will need to develop an international life of their own that is subject to their own special conditions. It is certainly not intended here to dispute the fact that economic relations may also supply a basis for cultural intercourse. However, it must be recognized that the cultural intercourse brought about in this way can be fruitful only if, at the same time, other relations are formed between the various peoples that arise solely from the needs of cultural life itself. In each of the various peoples, the cultural life of individual emancipates itself from the economic conditions on which it rests and takes all manner of forms that have nothing to do with the forms of economic life. The forms it takes must be free to enter into relations with the corresponding forms of cultural life among other peoples – relations growing out of cultural life itself. There is no denying that at the present moment of human evolution, the international structure that culture is striving to assume is opposed by the egotistical impulse of the various peoples to shut themselves within their own nationalities. And then this endeavor is carried further – namely, attempt is made to turn the close national state into a closed economic domain as well.

The aforementioned tendency towards a world economy will in the future work against these national egotism. If these countertendencies are not give rise to incessant conflict, the spiritual and cultural interests arising within these people must administer themselves in accordance with their own cultural identity, independent of economic conditions. International contacts should then arise out of these independent administrations. This can only be done if a region, governed by a common cultural life,

marks its own boundaries, which will be relatively independent of the boundaries that arise the given conditions of economic life.

Now, of course, the question immediately presents itself: How is the cultural life to draw necessary support from the economic life if the administrative boundaries of their two sphere do not coincide? To find the answer, one need only reflect that a self-governing cultural life confronts the independent economic life as an economic corporation. As an economic corporation, it can enter into agreements for its economic support with economic administrative bodies of its regions, regardless of any larger economic region to which these administrative regions may belong. Anyone whose concepts of what is possible in practice is limited to what he has already seen will look upon these proposals as “gray theory.” He will think, too, that necessary arrangements will prove too complicated to work. Whether the arrangements prove complicated or not will depend entirely on the skill of the particular people who arrange them. However, no one should oppose measures demanded by the present day necessities of the world for fear of supposed complications. (Compare this to what is said on the subject in Chapter Four of my book *Toward Social Renewal*.)

The international life of humanity is struggling to shape the cultural relations of the various peoples and the economic relations of the various parts of the world independently of each other. The threefold organization of the social organism take this necessity of human evolution into account. In this threefold order, the legal sphere, founded on the democratic basis, constitutes the link between economics (where international relations are directed by economic necessities) and the life of the spirit, which shapes international relations out of its own forces.

Habits of thought ingrained by the prevailing political and social forms might lead one to believe that a transformation of these forms is “pragmatically impossible.” But historical evolution will march on, destroying everything – even new measures – that arises from these old habits of thought. The vital necessities of modern humanity dictate that any further amalgamation of the spiritual, legal, and economic spheres is an impossibility. That it is impossible was shown but the catastrophe of World War I: economic and cultural conflicts became conflicts between states that were then obliged to

resolve themselves in a way that is impossible when cultural life opposes only cultural life, and economic interest opposes only economic interest.

That it is possible to pit the threefold system into practice in any single nation without damaging international relations (even though this nation will at first stand alone in the attempt) may be shown as follows: Suppose a certain economic region wanted to fashion itself into a massive association within the framework of a national state. It would be unable to maintain profitable relations with foreign countries that remained capitalist. Institutions like those of a government, subject to central boards of economic control, do not give management the power to supply foreign countries with products that fulfill their needs. However free a hand may be given to the managers with respects to the taking of orders they must adhere to the association's rules regarding the procurement of raw materials. To be hemmed in between requirements from abroad and red tape at home would lead in practice to an impossible state of affairs. The same kind of difficulties would beset both the import and the export trades. Anyone who wants to prove that no fruitful economic intercourse is possible between a country that wishes to work on abstract socialist principles and capitalistic countries abroad has only to point to such things. Every unprejudiced person will be obliged to admit he is right.

The idea of the threefold social order cannot be touched by such objections. It does not impose a state like structure upon relations that are determined by economic interest themselves. According to the threefold idea, the managements of allied economic concerns will join together in associations. Such association will then link up with orders that will distribute them according to the needs of consumers with that particular economic sphere. The management of an export business can act its own perfectly free initiative in its foreign trade; and at home it will be in a position to make the most advantageous agreements with other associations for the procurement of requisite raw materials, and so on. The same will hold true for an import business. The only guiding rule in creating such an economic order will be that dealings with foreign countries should not lead to the producing or importing of goods whose production cost or selling price might injure the standard of living of the native population. Workers producing goods for export must receive what is required to maintain their standard of living as compensation for what they produce. Products that come from abroad must, generally

speaking, be available at prices that allow the native worker who needs them to purchase them. It might happen (no doubt owing to the difference in economic condition at home and abroad) that certain products, which must be obtained from abroad, may have too high price. However, on careful examination one will find that situations such as these are taken into account in the ideas underlying the threefold social order. If the reader turns to chapter Three of my *Toward Social Renewal* he will find it said of a similar economic problem: “Moreover, an administration that occupies itself solely with economic processes will be able to bring about adjustments that shows themselves within these economic processes to be necessary. Suppose, for instance, a business concern were not in a position to pay its investors the interest on the savings of their labor, then – if it is a business that is nevertheless recognized as meeting a need – it will be possible to arrange for other industrial concerns to make up the deficiency by the voluntary agreement of everyone concerned.” In the same way, the excessively high price of an imported product can be balanced by contributions from businesses that are able to yield returns higher than requirements of those they employ.

Anyone who strives for new ideas about the main aspects of economics will not – especially if these ideas are to be practical – be able to give indication for every special instance because in economic life, such special instances are innumerable. However, he will have to frame his thoughts such that anyone who applies them in the right way to special case will find the way work in practice. One will find that the proposals put forward in put forward in my *Toward Social Renewal* work better the more one is mindful of their particular context of application. In particular, it will be found that the proposed form of an economic body belonging to the threefold social order permits unhampered economic intercourse with foreign countries, even though these countries do not have the threefold system.

Only someone who failed to perceive that self-administration must be a necessary consequence of the inherent movement of economic life toward world unity could raise doubts as to the possibility of such commerce. In actual fact, a world economy that has been forced into the straitjacket of separate political entities is striving of itself to break free. Any economic region that is the first to act in accordance with this striving cannot possibly be at a disadvantage compared to others that resist the universal trend of

economic evolution. On the contrary, the only result will be that in the threefold social order the profits of foreign trade raise the standard of living of the entire population, while in the capitalist community the profits will benefit only a few. That the threefold social organism apportions it differently among the populace will not affect the balance of trade itself.

Thus it may be seen that the threefold social order does not represent a reclusive utopia but rather a number of practical impulses that one can begin to realize anywhere in life. That is what distinguishes this “idea” from the abstract “demands” of the various socialist parties. The socialists look for scapegoats for all the things that have become unbearable in social life. Having discovered a scapegoat, they declare it must be eliminated. The threefold social order speaks of the ways in which the existing order must be altered if that which is unbearable is to disappear. The threefold order is intent upon building up, in contrast to other ideas that can indeed criticize and destroy but offer nothing constructive whatsoever. This becomes especially clear to any open – minded person who reflects on the foreign trade policy that would have to be implemented by any country adopting such destructive political principles alone. Besides destructive tendencies at home, disastrous foreign relations would result.

There is no doubt that the economic conditions of any single country under the threefold social order cannot fail to act as a model for foreign countries. The circles concerned about a socially just distribution of wealth will strive to bring about the threefold system in their own country when they see how expediently it works for others. As the idea of the threefold commonwealth gains ground, the end that modern economic life strives for – through its own inherent tendencies – will be realized more and more. And although national interests unfavorable to world, the people in any field of economic life who have an understanding of the threefold social order need not for that reason be deterred from introducing it. The foregoing has shown that difficulties in international economic trade will not result from the threefold social order.