



Humanum

Issues in Family, Culture & Science

BOOK REVIEW

Issue Three / 2022

The Law of the Land, the Sea and the Air

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Sebag, Roy, *The Natural Order of Money* (Chelsea Green Publishing, 2023).

A graph of US debt-to-GDP since the mid-twentieth century shows an initial convergence until the mid-1960s, when the two lines indicate an escalation in both values but at different speeds: debt, in the early stages of the divergence, rising at about double the rate of GDP, until the gap is such that, approaching the present, it shows indebtedness at nearly four times the rate of national productivity. A similar graph could be prepared for virtually every Western country, some of which would tell a marginally better story, others of a greater calamity. But these graphs tell another story also, a story of the meaning of debt and the significance, in other than numerical terms, of the diverging relationship between human productivity and human aspiration: the story of the West's deviation from the law of the land.

Although its meaning has in modern times eclipsed the Greek, Kantian, and even Christian concepts of the “the good life,” I had not until recently truly grasped the precise resonance of the “good” part in the phrase as commonly used nowadays—the “Good Life,” as in “escaping the rat race,” seeking to create a worthwhile, honest, and meaningful existence in proximity to nature, generating the means of one's own subsistence, et cetera. But now I think I get it, after reading Roy Sebag's short (no more than 15,000 words) new book called *The Natural Order of Money*, which got me thinking anew about where we humans are now, after three years under assault on our spirits from the global elites and the “leaders” we naïvely trusted with our countries.

I thought I would try to write something about “The Good Life” that might help to rescue the concept from its ghetto of oddity and eccentricity, where it attracts only the nostalgia of the old and the condescension of those not yet old enough to know that nostalgia is the memory of stability and sense.

[W]hat has "gone awry: in our "modern" economies is that we have, first of all, reversed the hierarchy of the productive and service economies, placing "services" at the center, then multiplying these far beyond the scope of our needs, and thereafter creating false moneys which have institutionalized these follies as something unexceptionable.

Perhaps because Sebag was born to third-generation farmers and has had wide experience of matters financial, he is able to write with an appreciation of both—stability and sense. His book is very taut and beautiful: his central thesis is to explain why gold became the "natural money" of humanity (its adaptability and usefulness as both a measure and a reward, plus the fact that it is itself literally rooted in the natural order). He succinctly explains why gold became, and remained—in efficiency and effectiveness and symbolism—irreplaceable as the natural money-substance of our species and its transactions. In presenting his argument, he constructs a model of reality that describes also the natural and stripped-down state of a functional economy, cutting through the verbiage and theorizing of the academic and bought economists that have bedeviled attempts at fundamental perception through modern times.

Sebag draws in words a circle subdivided by another, inscribing in the inner one the words "the real economy," the entity that, at the center of human self-sustaining activity, produces the essential needs of mankind—food, fuel and primary materials, all in compliance with the laws of nature, i.e., operating in coherence with the natural world. This "real economy" comprises—is manned by—the likes of farmers, fishermen, hunters, lumberjacks, coalminers, oil drillers, turf cutters. The outer circle comprises the "service economy," a secondary entity governed by the same rules. His purpose is to remind the modern reader that economic activity is governed, willy-nilly, by basic natural laws. Maintaining a "natural" money to anchor economic systems has been the default practice in most societies until the relatively recent past.

Nature, not man himself, he argues, makes the ultimate judgment on human behavior in this context. Food is the bone marrow of human cooperation. Without it, humanity perishes. Next, and similarly, comes fuel. After that, the roots in nature become weaker, yet they are there. Every economic actor along the chain to the outer circumference of the circle remains accountable to the source, via the farmer and the other primary producers. Central to this is the role of money. Gold has long been the optimal substance for use as what Sebag calls "natural money," which, in mirroring nature's limitations, acts as a brake and safeguard against attempts to cheat the system.

In telling this story, he strips down and makes visible a model of the functioning economy that places centrally the "productive" sector (farming, fishing, hunting, fuel-harvesting, and the recovery of base materials)—subject to the iron laws of nature and necessity, but incorporating also the secondary, outer-layer economy, also highly functional for as long as it adheres to and respects the same set of natural laws that the farmer and the fisherman must obey. For example, he writes, "a bad harvest may cause the farmer to fail to produce a crop, or geological scarcity of ore may prevent a miner from carrying out further operations." These rules also govern the outer economy, which produces not essentials but secondary products and services.

What he calls "the chain of temporal and energetic succession in any economy" begins with

the “primary cooperators,” the food producers, who act as the generators of the basics of survival and surplus. Next in this chain come the fuel producers, such as the lumberjack and coal miner, who work “to harvest non-nutritive energy sources from nature which provide heat and motion.” The tertiary members within this primary network are the elemental producers such as the miners of metals: “The product of their activity is a tangible good which is employed as a necessary input in the preceding types of primary activity. In a simple or subsistence economy, it is conceivable that the three roles may be intertwined to such a degree that they can be carried out by one and the same person.”

All actors in an economy, either individuals or members of a cooperative system, are accountable to natural standards of measure and reward, a set of iron laws that must be respected on pain of disaster. “Ecological accountability,” i.e., direct answerability to the limits of nature and the natural standards of measure and reward, render the real economy and its custodians amenable to these laws. But the service economy is also answerable to these principles, albeit indirectly, because it is ultimately dependent on the harmonious operation of the real economy. Without food and fuel, the policeman becomes weak and dies; without fundamental elements, our electronic systems will not operate, and the computer programmer will be unable to function. “Ecological accountability,” Sebag explains,

expresses the fact that the cooperative system is always and everywhere tethered to the natural order and to our necessity of negotiating with it in order to produce the energy embodiments that we need. When we eat breakfast, when we start up our cars to drive to work, when we open our laptops and begin to type, we are implicitly involving ourselves in the natural order and its standard of measure and reward. We are taking in the maintenance of the land, the tilling of the soil, the sowing of the seeds, the days of rain and sun, and the long hours of harvest. The farmer is told by nature how and when his crops can be grown. We participate in this edict each time we partake of this harvest for our own purposes of activity. No service economy is self-sufficient, just as no man is an island. We cannot live without nature’s reward, just as our bodies cannot survive without breathing in the oxygen that surrounds us.

This, then, is “economics,” which becomes complicated in its theoretical forms by “virtue” of deviation from or corruption of this fundamental model by innovations created, more often than not, to cheat nature and usurp the means of human survival and action. These are always, Sebag insists—*always*—doomed to fail. And all this remains true, no matter how complex our human societies appear. Any deviation from economic accountability can only ever be temporary. Although it is often overlooked or forgotten within the remoter elements of the service economy, ecological accountability remains an iron law, as though written on the land.

“This forgetting of accountability,” he writes,

is only possible because the service economy possesses the ability to temporarily decouple itself from the natural order for the very reason that it lies at the periphery of its generative and degenerative cycles. The real economy, on the other hand, enjoys no such luxury, for it is dependent upon nature’s commandments. What follows from ignoring this reality is an unnatural view of prosperity as something which can be mastered, determined, and distributed according to the personal desires and subjective ideals of the service economy. It is then that the relationship between the real and service

economies becomes parasitic.

In a parasitic system, he writes, the service economy demands energy embodiments (the products of human activity resulting from negotiation with the natural world) from the real economy “irrespective of nature’s limits and cycles, thereby attempting to circumvent or transcend the natural standard which governs the success and failure of the real economy.” The result of such attempted divorcing from ecological accountability “threatens the sustainable relationship between humanity and nature, and the symbiotic relationship between the real and service economies.”

It is obvious that what has “gone awry” in our “modern” economies is that we have, first of all, reversed the hierarchy of the productive and service economies, placing “services” at the center, then multiplying these far beyond the scope of our needs, and thereafter creating false moneys which have institutionalized these follies as something unexceptionable, and from there enabled spurious notions of wealth to promulgate themselves, spawning all kinds of incoherencies and absurdities that cockeyed forms of economic thinking have fooled us into taking for normalcy. False moneys—the instrument of this hubris—enable mankind to sidestep the laws of nature, chiefly because, as Sebag shows, they

fail to meet the most basic requirements which the natural order of money exacts from us: that money itself be an energy embodiment. If our money fails to constantly remind us of the natural order and what it requires of us, then we simply forget about ecological accountability and our collective dependence upon the farmer and upon nature.

By reflecting the imperatives of ecological accountability at all points within the economic system, a true system of money becomes an earthing entity in a three-way process connecting it via the human to the land, and back again, and round and round. It is a carrier of the values that underpin the entire enterprise—the laws of land, sea, and air—extending the natural imperatives from the potato patch and the riverbank to the restaurant and the bank, imposing its logic on all those who handle it. “In this way,” Sebag explains,

money anchors notions and ideals of prosperity to the objective accountability of the real economy, to the natural pulse of energy embodiments, by ensuring that the whole society measures and rewards activity relative to these dynamic cycles of generation and degeneration. A money which reflects ecological accountability ensures that when the real economy does well by cooperating with nature, the greater economy also prospers; and when the real economy does poorly, so, too, does the greater economy suffer.

Gold, being the longest-lasting, the most energy efficient, and the rarest of the possible energy embodiments that nature bequeaths us, was through millennia the money of choice of human societies. Gold is sublimely capable of measuring and rewarding the production of energy embodiments without clashing or competing with them, enduring through time while maintaining the same weight and correspondence to larger reality. “Gold,” Sebag elaborates,

is a pure element that nature dispenses by weight in exchange for the more abundant, ephemeral, and even more necessary energy embodiments that we require for vitality and movement. The farmer and the gold miner thus share much in common, insofar as they must answer to the natural standard and to

the brute facts of nature. While the gold miner is energetically dependent upon the farmer, in a society that has moved beyond subsistence, the gold which the miner harvests serves as the best measure and reward for the food which the farmer harvests.

The software engineer can assume that he will receive food from the farmer only if he is constantly reminded of the natural order by their shared money.

In the modern economy, contrived forms of money—paper money issued by fiat, generally as debt, promotes unsustainable forms of cooperation. The average modern economist fails to appreciate the dependence of human societies on the natural world, and on the farmers, miners, and other energy producers, seeing nature, as Sebag puts it, “as a machine to be tinkered with in order to obtain efficiencies and nominal growth.” When money becomes thus perverted, he says, the peripheral actors thrive, and the farmer is compensated as if he were an afterthought. “So farmers and shepherds are persuaded into leaving their familial land to attend university and work in the City; the new generation would rather work menial office jobs than get their hands dirty in nature.” The land, “which once was tilled and worked for the greater benefit of society” is rezoned for housing, i.e., maximized profitability in the “service” economy.

Back in the 1990s and 2000s, at the height of Ireland’s Celtic Tiger boom, I used to get myself into trouble with “progressives” and “modernists” by talking and writing (“nostalgically”) about my widowed grandmother’s farm in Cloonyquin, County Roscommon, in the West of Ireland, where she used to produce enough to satisfy about 80 per cent of her family’s needs—meat, vegetables, bread, milk, butter, jam, eggs—and then, when the travelling shop came around on Saturday evening, would carry out her two trays of surplus eggs and barter them for the things she couldn’t generate herself. This invariably sparked great hilarity among economists and other media pundits—provoked, they implied, by the quaintness of my reminiscence. Still, it seems to me that it did then and continues to offer a clear-cut model for a healthily functioning economy: meeting as much as possible of your own needs, with sufficient surplus to barter for whatever you lack. It has also seemed obvious to me that most of the problems of the modern world emanate from our deviation from this model. Essentially, Sebag’s thesis captures the logic behind my grandmother’s method, being based on the production of essentials, first for the producers, and then a surplus for those across the borders of the real economy, where the meaning of those eggs was never permitted to be lost.

Roy Sebag’s wonderful little book illuminates a central error that humanity has allowed to occur in its societies and communities, which is to permit money to slip from forms in which it maintained an intrinsic reflection of the limits of the natural world to one in which it provides merely a token representation of this former state. Thus, paper tokens and digital iterations of monetary amounts have rendered widespread the illusion that money has value of itself, and out of this has been generated whole global industries in the shifting and sifting of such tokens to the point where what are no more than glorified casinos have come to seem like the real economy.

The only true purpose of money remains: as a means of measure and reward, a convenient commodity/instrument to facilitate the exchange of products and services, which also offers an intrinsic reflection of the values being exchanged. Without the necessities of human existence—the foodstuffs and fuels and primary substances—gold would be an unexceptional and meaningless material. Its “value” derives from its “affinity” with other forms of “energy embodiments,” among which it is, you might say, first among equals. Once established as the natural money of man, of course, this purity of purpose stood to become corrupted, which

indeed it was, with gold coins being “shaved” to multiply the transactional value of the gold. And this procedure has been mimicked and itself multiplied in fiat money systems since the abolition of the gold standard, to the extent that an “economy” today is primarily a poker table upon which what passes for “wealth” is generated or destroyed in a series of three-card-tricks. To believe that money itself is the valuable thing is not merely to lose the economic plot, but to misunderstand human existence. To “trade” not in things that humans need and desire, but in the tokens by which they have arranged to exchange these quantities, is to make inevitable the enormous distortions that now cripple our nations and embolden the corrupt bodies now claiming to govern them.

