

## Associative Economics Café # 4 • Report

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AE Café # 4 met at the Youth Annex next to the Sebastopol Community Center last Friday. We welcomed newcomer John Randell to the on-going ae study group. We will have AE Café # 5 this coming Friday the 19<sup>th</sup> of March when there will be a presentation using color chalk and black board outlining the history of 'value theory' including the twin theory of value that is gaining credence with various economists around the globe.

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*"Symmetry abounds" Brian Greene, PhD  
Mathematician & Physicist, Princeton*

*"Economics is a bi-polar affair." J. K. Galbraith  
Economist*

We temporarily suspended following the line of thought considering the associative economic perspective underlying economic value, price, capital and the economic process generally. An objection to the idea that in economics there is no such thing as 'intrinsic value' arose. And additionally, it needs to be added to any economic theory of value, otherwise without it, exploitation is fostered. So we changed gears and listened to the critique of the idea that there is no intrinsic value in economics. Classically, the notion of intrinsic value applied to economics is associated with the old labor theory of value expressed in the work of Karl Marx. So, let's open up the conversation and explore the economic concept of 'intrinsic value' and its relationship to economic value. Before we can move on, the idea that in economics it is not the physical goods exchanged that matters, but the 'invisible' ever-fluctuating values, must also be considered.

According to this critique, any economic theory worth considering needs to recognize intrinsic value in economics. The other objection was that "values rise seemingly without end." Prices, not values rise without end according to the objection. This point may have been misunderstood here. I'm not sure. The references are below:

**"In economics there is no such thing as intrinsic value.** (1) A thing has value given to it or taken from it by the actions of human beings. In itself it has no value. Moreover the value it holds is never constant."

Physically, nothing exists in a single and permanent state. ... They come into being and go out of being. Values in economics follow suit. The problem is that we treat them as if this were not so. **Under inflation, for example, values rise seemingly without end.**" (2) (From Section 2. Value, Prelude in Economics).

How are we to understand value and price in economic terms? Is it first necessary to understand the economic process as a whole?" We will meet this week to pick up the conversation based on section 3 to 8 in 'Prelude In Economics'. After a 'value creation' presentation, the purpose of this session will be to penetrate with our thought the essential ideas from these first 8 sections so that we all have a shared picture and understanding.

*Daniel Osmer, Ambassador for Youth  
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