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(the parts in parentheses are for orientation and will not be read)

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Framing Money

Using Luhmannomics for descriptions in Societies, the old subtitle

Observations based on Systems theory, the new subtitle (subtitle changed))

(Intro, slide 1):

I am absolutely convinced that some parts of the Systems theory of Niklas Luhman could be useful to determine the impacts of a Basic Income, because it can lead the attention to hitherto neglected parts of the study of Basic Income and that would be in general language. Here is however not language, but a related feature, in the focus, that is money.

About me: My name is Alexander Imig and I am teaching, in the field, which is called “Liberal Studies” in the Anglophone world, covering language, culture and other holistic knowledge realms. This also the contextualization of my approach to Niklas Luhmann here. He is covered not as Sociologist, a management scientist, or jurisprudence-theorist, although was all of that in his career. Basic facts about Niklas Luhmann can be found, in the English Wikipedia (the Korean page is somewhat too short and does only cover the life of N. Luhmann). I am neither sociologist nor economist by training, studied philosophy and main parts of my teaching are now related to culture studies. I am using the Luhmannian theories as a research tool for quite a while now and today I apply them for the description of money. Also I would like to apologize for not coming in person. It would have been very interesting to meet some likeminded researchers and activists in Korea. But I have a good excuse for being absent in person; I was at the Wikimania in Singapore (first time on site, in Asia!) and the Wiki-movement (especially Wikipedia) is very important for the distribution of our ideas.

(Slide 2) Here you see the outline of my presentation today. Of course there are some definition issues with the Universal basic income, as always, I might say, but the (Luhmaniann) systems theory can offer some insights in the problems of definition, as I will argue. Then the URL, where the references can be downloaded,

(Slide 3) Then what is an UBI and why people thinking it is a “scam”, like the Guardian columnist Arwa Mahdawi in this article? The guardian coverage of the UBI is by the way in general more positive, but a full discussion would be another topic. Relation are there however, as the network part, slide 11 will show.

(Slide 4). UBI can be used as a compensation for ecological or social harmful developments in capitalism. Especially the UBI is only promised for the future or the real amount of the UBI being too low. In the last case this would not be an BI (= Basic Income), but a minimum income or a Guaranteed minimum income GMI, (see for examples the Wikipedia-article, linked also at the mentioned URL). If the World Economic Forum is promoting UBI, among other things of course, then it can be seen as an advertisement for capitalism. But how can a good and bad UBI be discriminated? One answer to this question can come from the (Luhmannian) Systems theory, because of its multidimensional framing of money or to borrow the title of this research section, because of its ability to situate money or the UBI in reality.

(Slide 5) But how does the (social) Systems-theory frame money? At the first sight the definition of money looks quite conventional: Money is coding scarcity and scarce resources like the (very common) example of land (also used in the text, which is an extraction from a Luhmann dictionary available in at least four languages: German, Italian, Japanese and English. The English version is open source and can be downloaded as pdf (from the Homepage of the publisher). Slide 6 gives an impression of the more progressive features of the systems theory. Luhmann started to develop his own theory of society after 1968, when he got the tenured position as Professor at the Bielefeld University, but the real new approach the new approach, which I would call “autopoietic shift” emerged after his book Social systems (Soziale Systeme), which was published 1984 (in German). Of course I deliberately used the notion of “frame” in my title and the proximity to Erving Goffman, and his “frame analysis”, is intended, but the complex process of framing and therefore constructing an autopoietic social system (interaction, organization or society) can’t be described in full here. It is however central to say that autopoietic systems consist of communication, in any form. There are several codes and media of communication available. My communication with the hotel in Singapore is a communication about money, also if they ask me, if I had a pleasant stay there, because then I am maybe

willing to write a favorable review in the social media. (Slide 7). While the payment of money is in the centre of the communication, with the hotel, other functional systems are also involved, in this case the legal (function) system and maybe also the health system (in the post pandemic period). Seeing the Luhmannian systems theory as useful tool for the UBI-network, is only possible if the historical potential of the systems theory is unlocked, because then the notion of scarcity gets a different background. But before I go on to the next slide, a comment to the interrelation of the functional systems, because of course they do not stand alone for themselves. They observe themselves, an example would be a film about a film, which is art about art, this named reflection, they have a function for the observation of the whole society (which would be the theory of society) and a performance for the other functional systems, a performance, which also can exceed the limits, eg. corruption in Politics.

(Slide 8) We come now to the devil. And indeed, some people think there is quite strong connection and also Luhmann is describing money as diabolic medium of communication as opposed to symbolic media of communication (e.g. would be style, faith or truth). But here it is religious or political meaning of that illustration is important, because it is a critic of the common practice of using indulgences against alleged punishment for one's sins. An indulgence is a piece of paper, which can be bought as a protection against punishment in hell or in purgatory. What were the effects of these indulgences? Well, you can still see them in Vatican (St. Peter's Basilica, among others). Considering this the notion of scarcity gets a different meaning. Using the Systems-theory as historiography offers indeed a second order observation, a theory-guided observation as a description of modern society (see Ziemann 2007).

(Slide 9) What lessons does this have for us today in our sweltering hot situation on earth? In 1986 (in year of the Chernobyl disaster) N. Luhmann published the Ecological Communication (in German, the English translation came out 1989). And this book still offers valuable insights, about a possible change in the communications patterns of the society, more towards ecological communication. Luhmann stresses that these changes have to happen in several functional systems, *at once*, until a change in the society is about to happen. His Theory of Society discuss at length and in depth processes of social change in the context of complex evolutionary processes.

(Slide 10) For all functional systems Organizations play a decisive role (I

personally did studies about the role of organization, that is Universities, in Education) and the role of money in economic organizations cannot be underestimated. Organizations-theory is actually the field, where the Luhmann reception is very vivid, see the References on the slide. However in the organizational studies money is not playing a central role and I think it is therefore useful to combine Luhmanns book “Organization and Decision”, with a reading of Pavan Sukhevs Corporation 2020, which is discussing the key role money plays in economic organizations, Corporations, mainly considering the US-situation, the keyword being “shareholder value”. In my point of view Suhhevs observations ,in his book, are quite adequate, he has however the opinion that reforms from the old model of money-directed corporation 1920 to a new model, corporation 2020, which is sustainable and more ecological is possible. Now we have 2023 and the change did not materialize. What could be done, to enable (quicker) transformations?

(Slide 11) For this, the role of networks has to considered, a line of analysis, which is difficult to do with Luhmannian research instruments. Niklas Luhmann died 1998 and it is obvious that especially in the 21st century the role of networks changed (for an overview see Rasmussen 2014, however without relation to N. Luhmann). For future prospects I use parts of H.W. Whites “Identity and control” (2. edition 2008) and he did read Luhmann quite thoroughly (for the reception see Slide 12). One of his insightful remarks is: it is not enough to consider the division of subsystems, the dynamics of its interrelations should also be analyzed for understanding social change (2008:179). And in this respect the interrelations between the economy and science functional systems are essential. Then we have to consider this very network, the Basic Income Earth Network (BIEN). What are we? Certainly not a research network alone, we are not agitating, using this word in awareness of its tradition, or campaigning for the truth (as in science), the aim is to change society. (Slide 12) However using the scientific instruments at our disposal is one basic requirement of success. Here again the URL for the download of the references.

Thank you for listening.