CHAPTER 3

Ownership, Finances, and Fundraising in the Early Years

Since Emil Molt did not have controlling interest as a shareholder in the Waldorf Astoria Cigarette factory, he relied on the faith and respect his colleagues had for him to persuade the factory directors to fund the school. It would not be too far off to say that Molt simply willed the school into being out of the strength of his personality. He convinced the management council to go along with the establishment of the school before he actually discussed it with the other shareholders. Simply put, they were horrified by the project, but they reluctantly went along with their esteemed director "in just the same way that a father is in agreement when his son spends too much."²⁰

The firm initially put aside the sum of 100,000 marks to help launch the school. As this was not nearly enough to even purchase the property required, Molt personally paid 450,000 marks for the initial property purchase. Even though most people have the impression that the Waldorf Astoria Cigarette Factory owned and established the school, it appears that the firm never actually owned the school. The school property was initially registered in Molt's own name, unbeknownst even to the teachers.²¹

In addition to the initial sum of 100,000 marks mentioned, the firm agreed to pay the teachers' salaries for the first year, and subsequently they covered the tuition costs for the workers' children and other close relatives of the factory workers. Molt was put in the awkward position of being the teachers' employer and even determining their individual salaries for the first year. The situation created tensions between Molt and the teachers until the complex and confusing situation was cleared up with the help of Rudolf Steiner. (See previous endnote.) The school grew rapidly each year due to the increasing number of non-Waldorf Astoria families that wanted to send their children to the school. (See Illustration 1.) In the first year, 191 out of 256 students were children of parents or relations working for the factory. In the second year the student population grew to 420 with about half from Waldorf families and half from outside. For the next few years the number of factory children remained relatively constant while the number of children from outside families increased significantly. As the school became better known, parents from all walks of life wanted the opportunity to send their children to this unique and innovative school. The children came pouring in.

Illustration 1			
The Growth of the Independent Waldorf School 1919–1924 ²²			
School year	Students	Teachers	No. of Classes
1919-1920	256	12-14	8
1920-1921	420	19	11
1921-1922	540	30	15
1922-1923	640	37	19
1923-1924	687	39	21
1924-1925	784	47	23

While Rudolf Steiner was alive, the school adhered to the principle that no one would be turned away from the school for financial reasons. Families not closely connected to the factory paid tuition according to financial ability. But there never seemed to be enough money, and the school was under incredible financial strain right from the beginning. Steiner admitted that this enrollment policy was the main reason for the huge financial strain the school experienced each year. "It is one of our principles that we do not require every child to pay tuition. That is the reason for our difficulties, namely that we accept children who cannot pay tuition."²³

Rudolf Steiner and Emil Molt produced a veritable whirlwind of fundraising ideas for the school. The following is a list of funding sources and initiatives relied upon or at least attempted during Steiner's time.

1. Direct payment from the Waldorf Astoria Cigarette Factory

This included a cash sum of 100,000 marks to help launch the school, employing the teachers, and paying their salaries the first year. Subsequently, they subsidized the tuition of the children of factory workers, in full or part, for approximately twenty years.

2. Tuition payments from families having no affiliation with the Waldorf Astoria Factory

Those with means paid the full tuition amount. Others paid less or none at all. "We simply must continue to uphold the principle of accepting children who cannot pay fees."²⁴

3. The personal resources of Emil Molt

Molt contributed 450,000 marks to purchase the school property and continually paid for a variety of expenses, as his means allowed, for the rest of his life.

4. Membership in the Waldorf School Association

The Waldorf School Association was formed on May 19, 1920, toward the end of the first year of the school's existence. It was a local association based in Stuttgart that took on the responsibility of the finances and fundraising efforts for the school and to educate the public about the Waldorf educational approach. The shareholders of the factory were pleased at the possibility of extending the responsibility for the finances of the school and putting Molt's project at more of a distance. Initially, the voting membership consisted of seven people including Rudolf Steiner and Emil Molt. To encourage the continued cooperation and support of the factory, Max Mark, a Waldorf Astoria board member, was made the honorary chairman of the Association. Later a member each from the College of Teachers and from the school's administration became members with voting rights. Steiner had hoped that the Association would gain thousands of members over time and that millions of marks could be raised each year through dues and contributions. Although the Association did raise considerable funds, the amount was not what Steiner hoped for nor did it meet the needs of the school.²⁵

5. Patrons or financial godparents

Wealthy members of the Waldorf School Association were asked to become financial godparents of one or more students whose families could pay only partial or no tuition.

6. Contributions from members of the Anthroposophical Society, wealthy school parents, and local supporters

In his travels, lecturing to the public and members of the Anthroposophical Society, Steiner took the opportunity to let people know about the progress of the school and the need for financial support. He was somewhat cautious in his solicitations because there were other projects in need of money, including the first Goetheanum, the center of the Anthroposophical Society in Dornach, Switzerland.²⁶

7. The founding of The Coming Day, an association of businesses and educational and research organizations dedicated to the support of cultural endeavors

In 1920, enthusiasts regarding Steiner's threefold ideas, including Molt, set up a holding company called *The Coming Day* (Der Kommenden Tag). The initiators wanted to present to the world a practical model of the economic sphere providing significant financial support for cultural endeavors, including education, scientific research, and therapeutic work. From the other side, it was hoped that scientific research would have a rejuvenating effect on the businesses by providing the businesses with inventions, new products, and better methods of production, and that schools such as the Waldorf School would provide the enterprises with skilled and creative workers and entrepreneurs.

Economic endeavors included were: a grain mill, a dietary and cosmetic manufacturer, a farm and saw mill, a box factory, a hostelry, a press, a tool factory, a book bindery, a mop factory, a juice factory, an insurance company, and, for a period of time, the Waldorf Astoria Cigarette Factory. Cultural endeavors included a scientific research institute and the Waldorf School.

The Coming Day purchased property for the school and provided loan capital for building additions at a time when the school was rapidly expanding. The Coming Day experiment was short-lived due to a variety of factors, including a general economic downturn in Germany and a lack of understanding and appreciation for its social goals by people both within and outside the holding company. It divested itself of most of its enterprises by 1925 and after that operated in a significantly reduced fashion.²⁷

8. Proceeds from inventions and new products

This was another source of income that Steiner was hoping would yield significant capital. Several businesses did eventually form but did not create a significant income stream for the school in Stuttgart. The Weleda pharmaceutical and body-care company was one company that in time became a sizeable international firm, but its profits go mainly to support the Anthroposophical Society.²⁸

9. The founding of a World School Association

The next chapter is devoted to this effort by Steiner, which never came to fruition, of creating a worldwide fundraising organ for Waldorf education.