

PART III

THE FUTURE OF WALDORF EDUCATION IN THE USA



CHAPTER 16

BROAD-BASED FUNDING FOR INDEPENDENT SCHOOLS⁸⁹

Independent Waldorf schools in the United States have reached a decisive point in their evolution regarding financing. If the Waldorf school movement here does not develop broad-based private-sector funding, the schools are faced with the following three options:

1. Becoming absorbed into the government-run public educational system by converting to Waldorf-inspired public schools, and as a consequence, becoming subject to national educational goals, standards, and testing.
2. Becoming financially dependent on government funding through voucher or other programs, and as a consequence eventually becoming subject to the same educational goals, standards, and assessments as public schools.
3. Remaining mainly privately funded, but serving primarily the rich and the privileged.

Some independent schools may become creative enough to develop their own local resources and arrangements of funding to the degree that it gives them financial autonomy and a diverse student population, and we applaud such efforts, but we also need

to develop broad-based funding that can help expand the Waldorf school movement and independent educational system in general.

Any effort to work toward appropriate broad-based funding for Waldorf education in harmony with threefold ideals needs to take into consideration the following ideas that have been presented thus far. They constitute the basis for a truly independent educational system:

1. Schools need to be self-administered, and their overall administration should arise from individuals working in the field of education, not from the political state.
2. The financial support of teachers and schools should flow directly from the economy through individuals and organizations to the schools and not pass through the government via taxation.
3. Teachers and schools need to be free of political and economic control regarding the goals and content of education.
4. Educational goals, standards, and assessments can arise only from persons active in teaching and administering schools.
5. Parents should be free to choose the schooling approach they think is most suitable for their children.
6. A child's right to an education and the freedom of choice for parents are meaningless unless the parents have sufficient financial resources to pay for their children's schooling.
7. The legitimate functions of the political state regarding the right of a child to an education should be limited to:
 - a. Ensuring that children are educated in physically safe conditions and are protected against physical and mental abuse.
 - b. Upholding appropriate anti-discrimination laws.

- c. Ensuring that parents are fully informed about school policies, curriculum, student assessment procedures, and teaching methods, and providing parents legal protection against fraudulent claims by schools.
- d. Enforcing various contractual arrangements, agreements, and policies related to schooling.
- e. Ensuring that sufficient financial resources are transferred from the economy through individuals and organizations to teachers and schools on an annual basis so that *all* children can receive an adequate education.
- f. Determining who is eligible to receive money set aside for education, for example, by establishing age criteria and residency requirements.

Independent schools in the United States are for the most part already funded directly or indirectly from economic life through tuition, fees, and gifts. The great problem is that typically there is just not enough support from these sources for them to be accessible to families from all income levels and for teachers and staff to receive an adequate income.

It needs to be acknowledged that even when money is contributed from economic life to education, stipulations or restrictions may be attached to the transfer. This may be the case with corporate giving, individual contributions, or foundation grants. This is not an inherent necessity, however, as in the case of government funding. Public funding derived from taxes *requires* public oversight whereas private sector funding *may or may not* have strings attached. In the latter instance, the restrictions are more a matter of social consciousness, while in the former it is a matter of the nature and functioning of a modern state.⁹⁰

A notable exception to this perspective in economic life is contributions from publicly-traded stock companies. They are similar to government agencies in that one can expect certain stipulations

or requirements attached to their support of education. This is because the management of such corporations is essentially legally required to base all major decisions on what will maximize shareholder values. Consequently, major corporate giving tends toward self-serving marketing and advertising rather than being altruistic contributions dedicated to the general needs of children and society.

No matter what approach one takes in developing broad-based private funding for independent schools, all efforts must be accompanied, if not preceded, by an ongoing, organized effort to educate the public about the importance and necessity of freedom in education as espoused here. This is of paramount importance. Without such efforts, even the most carefully constructed funding mechanism with guards against unwanted and unwarranted external control of education will of necessity degenerate into tools for coercion. No mechanism or technique will work for long; no law, no regulation, not even a constitutional amendment is secure against political and economic forces unless there is a complementary striving to educate the mind and influence the sentiment of the public, albeit in a free way, regarding the ideal of educational freedom. Furthermore, in order for this enlightenment process to develop the necessary social force, and for people to develop the necessary discernment, it must include the recognition of the spiritual basis of the human being and human evolution.

Assuming that a significant effort is made to educate the public regarding the importance of educational freedom, the great question and challenge is how one can work in a practical way to take at least beginning steps toward developing significantly greater broad-based funding for independent schools.

One such effort to make more funds available and alleviate some of the financial stress of parents who want to exercise their school choice options is the *privately-funded* voucher movement. The first such program was started in the United States in 1991 by the Golden Rule Insurance Company in Indianapolis, Indiana. There

are now dozens of such programs in the U.S. Simply stated, they are not-for-profit, charitable organizations set up to fundraise for and award scholarship money to students from low-income families who want to send their children to a private school of their choice. They have proven to be both effective and efficient mechanisms, but suffer from two problems. One is that the demand for such scholarships greatly exceeds the ability of the foundations to raise funds. This illustrates in very real terms the desire of many parents to send their children to private schools. The other problem is that the movement has become heavily influenced by special interests and parties who want to use the private programs as case studies and public relations tools to support their political agenda of creating *government funded voucher programs*. *This is an example of what we have suggested will happen when an effort to expand private sector funding is not linked to an equivalent effort to promote the idea of educational freedom.* What is otherwise a very positive step becomes undermined and diverted to the powers opposing true educational freedom. Nonetheless, there are private voucher foundations that are not politically motivated. Such funding organizations could still be important components in a long-term strategy to develop broad-based funding for independent schools if they are linked to both the principles of teacher and school autonomy and freedom of choice for parents.

An interesting development has arisen out of the private voucher movement in the state of Arizona. Like all private voucher programs, the Arizona School Choice Trust was faced with many more families requesting financial assistance than it could help. In order to broaden the support of private voucher programs, individuals connected with the Trust helped initiate legislation in the State of Arizona that allowed citizens to take part of their financial support of education and give it to a charitable organization of their choice that offers private school tuition support. According to Arizona legislation passed in 1998, individuals can contribute up to \$500 and married couples

who file a joint return can contribute up to \$625 to a recognized school tuition organization and have their state tax obligation be reduced by the same amount, dollar for dollar, through a tax credit. In effect, this can be viewed as a step toward acknowledging every adult's obligation to support the education of children, while introducing an element of free choice as to where they can apply the funds and in what form: government taxes or personal contributions. Five hundred or six hundred fifty dollars might seem to be rather insignificant amounts, but some schools have derived hundreds of thousands of dollars through the tax credit program on behalf of eligible families receiving scholarships in a single school year. So far, the tax credit system in Arizona places no additional restrictions on private schools, and the obligations placed on the school tuition organizations are limited to such requirements as using at least ninety percent of the tax credit funds for scholarships. Again, this could change for the worse if there is not a concerted effort to educate the public about the role and importance of independent education in modern life.

Other states have also introduced educational tax credits, but there is a significant variation in their forms. Some, for instance, apply only to contributions made by corporations rather than individuals. Each one would have to be analyzed individually as to its worthiness. Whether any particular tax credit proposal is, as some people describe, a government voucher program in sheep's clothing or a lionhearted effort to take a step toward placing education on an appropriate financial basis will depend on the thoughts and ideals that underlie its formation, implementation, and defense. Undoubtedly, it will be necessary to develop and define a term other than *tax credit* in order to distinguish approaches that are striving for true educational freedom and threefold ideals from those that are political traps. A new term should be defined to give such contributions for the education of children a validity in their own right so that they are not viewed as a credit on, or variation of, the existing

tax system. Rather, these contributions should be viewed as a legitimate way for persons or organizations to fulfill their obligation to support the education of children: in other words, an entirely new and valid option to support the right of a child to an education. This would be in harmony with Steiner's idea that money should flow from individuals and organizations in economic life directly to schools rather than through the government via taxes. For discussion purposes here, let us use the acronym "VASE" standing for "valid alternative support of education" for this new educational funding approach. Recently, there has been a significant number of debates and several lawsuits in the United States concerning the funding of public education. In recognition of this fact, it may now be advantageous to introduce into these debates an altogether different and truly equitable way to support education in this country.

Any effort to allow citizens to fulfill even part of their obligation regarding the right of a child to education by supporting private schools will encounter enormous resistance from those who have vested interests in perpetuating the existing state-run (so-called public) educational systems, such as teachers' unions and big businesses, including those in the text book, standardized testing, pharmaceutical, food, and computer industries. The best defense against such interests and powers, however, is to mount an aggressive offensive. One way to do this is to begin drafting and introducing model legislation that supports educational freedom and other models that recognize alternative funding choices in making the right of a child to education a financial reality. Considering the situation Waldorf education is facing today, there is nothing to lose by making such efforts. It is not being overly dramatic to say that the future course of human evolution depends on people taking such action in harmony with the ideals put forward by Steiner in relation to a threefold social organism.