

## CHAPTER 1

### UNDERLYING THEMES IN THE ECONOMICS OF WALDORF SCHOOLS

by Werner Glas

Each Waldorf School evolves and changes its organization and administrative structure as it moves from infancy to maturity. Many factors, quite unique to the character of a single school, have to be integrated as part of this process. Important shaping influences can be attributed to the cultural setting of the school, its geographical opportunities and limitations, the level of its community involvement, the local economy, political relationships, and legal requirements. Most important of all, Waldorf Schools do not educate children in the abstract. They are dedicated to the children entrusted to their care, and the needs of children may vary. It is therefore not surprising that, as a matter of principle, each school is autonomous; develops its own identity; and has to carry the legal, economic, and spiritual responsibility for its own life. Nevertheless, there are other vital considerations which unify all Waldorf Schools. These deserve attention from the moment a school is conceived and throughout the many phases of its development. In order to be a Waldorf School in spirit, as well as in name, the fundamental principles and practices of Waldorf Education must be central, bringing form and substance to the educational tasks undertaken and to the organization of the institution as a whole. The social impulse of Waldorf Education is best served when all the policies of the school are an integrated whole.

It is perhaps a novel thought for some that economic policies and educational policies can and should have more than a superficial relationship with each other. We are so used to compartmentalization and specialization that we easily forget the whole experience of an institution and focus on its specific parts. What is the place of a school in society? How should it relate to parents and the close geographical community around it? How should it relate to culture, the job market and the lifestyles of its time? What are its economic and legal responsibilities?

Four months before founding the first Waldorf School, Rudolf Steiner asked such questions in a book which is the cornerstone of his social thought. Steiner sometimes remarked that this book (which has been translated as *The Threefold Commonwealth*) should be rewritten for other countries. He claimed that the threefold nature, which he discerned within society, was not a theoretical construct of his own, but something that was itself struggling into existence as part of the nature of our times. With the help of the analytical overview he presented it can be perceived. Steiner's elaborations of *The Threefold Commonwealth* were both practical and theoretical. Several business ventures were founded, embodying his thought. Some of these are large and flourishing today. A state election was fought and lost in Germany in 1919. The political defeat led to an intensification of study and research by Steiner and others in several countries. Today there is extensive literature on the relevance of Steiner's social thought to the present. Much of it examines his expositions in approximately sixty lectures delivered between 1919 and 1924, as well as in his course on World Economy.

The threefoldness he spoke of has historical roots. In a confused way it comes to expression in the well-known cry of the French Revolution: *Liberty, Equality, Fraternity*. The confusion lies in the fact that these terms are not obviously compatible with each other. If a person is free to follow his bent, how is he to be equal with all others? Can freedom of action be justified when it curtails the freedom of others? Are there limits to freedom? Is equality practical in all realms? We can, for example, cherish equality of opportunity in education, but can we speak of equality of gifts and talents with any credibility? When the religious conviction of a group includes the idea that it is superior to other groups, it is difficult to see how such thoughts can lead to fraternity. Is limiting such thoughts an encroachment on liberty?

Rudolf Steiner suggested that there are three spheres of society, each with its own laws, just as there are three organizations within the human being. Indeed, his fundamental concept of threefold man and the threefoldness of society have interesting and complex relationships. For the sake of clarity, he wrote about each sphere separately. He gave analytical descriptions of the spiritual, political, and economic spheres rather as a lecturer on physiology might single out the endocrine system, the nervous system, or the muscles of the body. Obviously in the living organism there is always interaction, and in society the three spheres interface and interact. Yet on the conceptual level, it is valuable to see that a different consciousness is required for activities which are placed in the area of jurisprudence, the area of finance, and the area of the free spiritual life. Let us briefly characterize these before examining the relevance such a perspective has for the economic philosophy of a Waldorf School.

As a philosopher Steiner valued the right of every individual to think for himself as the most fundamental of human rights. He regarded freedom of thought as a central necessity for the realm of culture, the so-called spiritual sphere of society, which included artistic expression, religious experience, and education. Probably Steiner would have been sympathetic to the working definition of religious experience used by William James in his lectures on *The Varieties of Religious Experience*. James makes the relationship between the person and the Divine primary and the organization of the religious groups a subsequent and secondary matter. That is why he said, "*Religion, therefore, as I now ask you arbitrarily to take it, shall mean for us the feelings, acts, and experiences of individual men in their solitude, so far as they apprehend themselves to stand in relation to whatever they may consider the Divine.*"

In the spiritual sphere of society, creative life is encouraged when a general acceptance of differentiation becomes attitudinal. The many-sidedness of human beings is likely to bring many cultural alternatives to expression provided that culture can unfold in an atmosphere of freedom. A great diversity of initiatives may then claim the attention of the general public. Indeed, initiatives would compete with each other for social approval. Such approval ultimately will also have a pragmatic ingredient. In other words, the way in which society evaluates its cultural institutions will be influenced less by the origins of the institutions and more by the way in which they work. The criterion for evaluation in the cultural sphere will be "by their fruits you shall know them."

It is natural that as human beings recognize affinities in thought and cultural intent, they will form groups. Such groups or organizations become active organs of the cultural sphere and have a short or long life depending on the response of the people as a whole. The individual who is creative is given much scope in this view of society, but he or she is also limited by the response of society.

When we apply these thoughts to the world of education, a world which is an essential part of the cultural sphere, the implications are clear. According to *The Threefold Commonwealth* view of the spiritual sphere, there should be considerable variety in education. The parent looking for a school would then have many choices. Christians, Buddhists, Mohammedans, atheists, as well as child developmentalists, behaviorists, and representatives of many other educational philosophies will have established a rich pluralism in education. Such a cultural landscape of many schools, built on different premises, probably would suffice for most parents. There may, however, be a few who want to start something new; and, if there are sufficient others to make this viable, they should be able to do so.

The development of many possibilities in education presupposes that the interference from government will be limited. Indeed, from *The Threefold Commonwealth* point of view the separation of School and State is important for the level of creativity education needs. The Founding Fathers did not want organized religion to distort the disciplines of knowledge and exercise power in the schools. The Threefold Commonwealth idea of the role of education in society would agree with theirs, but would go a step further. It would limit the political arm of society so that it also could not exert undue influence on the curriculum and the disciplines of knowledge.

The State, from this point of view, has an obligation to facilitate variety in education and to insure that the maximum opportunity is available for all children. At the same time the legislature should refrain from exerting power within the educational process. A separate coordinating council, acting like a cultural parliament, would therefore be necessary for education. This idea is neither strange nor impractical. The Arts Council of Great Britain, which has worked as an effective stimulus for the arts for many decades, is an organization of this sort. The members of the Arts Council are distinguished artists. In addition, there are a few competent administrators who also have the qualification of not being involved in party politics. Money voted by the British Parliament for the arts is given over to the Arts Council—in other words, the funding is de-politicized and entrusted to acknowledged and insightful leaders of the cultural sphere.

No country has made education completely free in this manner. It would take immense courage to do so, because the schools are seen as the melting pot of society and as a tool for political cohesiveness. And yet, in America the record of history shows that a great contribution to public life has been made by the alumni of independent schools and non-state universities. It simply is not true that a free culture would undermine democracy. It could well be argued that the possibility of independent education is a mainstay of democracy and that as independent education becomes stronger, democracy will be more strongly sustained.

When we turn to the concept of equality we turn away from the cultural sphere. We can and should make every effort to give every child the best possible opportunity for an education appropriate to his or her capacities, but we cannot expect equality of achievements and talents. There is also no good reason why anyone abroad should be able to calculate what every good American knows. There is no lasting advantage in cognitive uniformity. A society is richer when it includes much diverse knowledge.

Equality is at home in the legal sphere. Steiner saw all human beings as equal before the law. He also examined how legal equality differs within geographical boundaries. Modern America is a fascinating example of this process at work. We have federal laws which extend to the boundaries of the U.S.A. On another level of law we also have some differentiation as we move across state borders. These variations

represent the judicial development of different states. Further augmentation takes place at the city level where, to mention only one example, building code laws vary substantially. The larger picture, as well as the more local legal framework, has geographical boundaries. We live within rings of law with geographical and political limits. Furthermore, neither state nor federal law applies in China, Tibet or Finland. From The Threefold Commonwealth point of view, it is also questionable whether law should be exported.

The balance between federal, state, and local governments remains a living process, but at all levels the principle of equality is vital. To insure it, the legal system must not be subject to ephemeral political and cultural pressures. Perhaps no one understood this as well as those who balanced Congress and the Presidency with a separate Supreme Court.

When we consider the whole earth as a legal entity, we do, of course, find a growing concern for that which involves humanity as a whole. In our time there is a new focus on human rights, on rights in space, and on rights pertaining to communication interactions. These examples indicate a tendency which is new, even in law: That which is circumscribed by geographical boundaries must find its relationship to the whole. And yet in the English-speaking world, geography, tradition, the will of a nation, and precedent remain the dominant factors in legal situations.

The life of commerce, part of what Steiner called the economic sphere, is subject to different conditions. To an extent undreamt of by earlier centuries, the economic life is influenced by what happens elsewhere. Recent dramatic events on the stock market demonstrate the significance of linkages between Japan, West Germany, and the United States. The multi-nationals are another indication of the fact that the economic sphere wants to be global.

We are so used to economic factors playing into political situations that it is hard for us to picture a separation of the legal/political sphere from the economic sphere. Indeed, such a separation on a worldwide scale is hard to conceive unless people everywhere would awaken to the idea that all human beings have a right to certain basic things like nourishment. Such an attitude presupposes a certain degree of unselfishness. Steiner's suggestions for a healthy-functioning economic sphere require the elimination of short-term policies and some mastery over greed.

The economic process can be divided into three broad areas: capital, work and distribution. Nearly all products come about when raw materials which are part of the earth are fashioned into products with the help of ideas and technology. Both ideas and the investment in technology can be seen as capital. We need capital to establish the tools for the transformation of raw materials, and that process can be improved with the help of the right ideas. It is perhaps worth noting that education has no tangible product but can create capital. The lively, well-educated mind can enhance the transformation of raw materials. Thus from a purely economic point of view, education can be seen as an investment. It creates future capital.

Work habits can also be established during the school years—and work is a wonderful human activity which must not be debased. Rudolf Steiner ascribed many a social ill to the fact that work is frequently regarded as a commodity. He held that work should not be sold and that it is wrong to base salaries solely on work performance. Other elements like need should be considered. Steiner recognized that a social system which does not recognize need is no longer viable. To a certain extent our government

gives moderate recognition to this principle: Our tax system makes allowances for families and other considerations which have little to do with work.

The mighty power of modern technology also threatens to redistribute income and make obsolete many forms of traditional work. As the majority of new work possibilities require more ability in symbolic thinking than was necessary for unskilled and semi-skilled labor, we stand in danger of a growing disparity between the haves and the have-nots. The truly astonishing thing is that work abounds on all sides. Whole cities could do with a new coat of paint, to mention only one example. They are not improved because it is not financially rewarding to make them colorful and cheerful. A vast amount of worthwhile work is not done because it is not financially rewarding. Perhaps the novel idea of separating the work from the financial reward deserves professional exploration. Within the scope of this chapter it is only possible to mention the idea.

The third element in the economic process is distribution. In some ways the distribution of goods is the most difficult aspect of economic life—an aspect which requires creative imagination. We sometimes cut back on harvests while millions starve. Often the problem is a transportation problem made more complex by political interests. And yet, time and again, companies like Coca Cola™ learn to overcome political barriers and are able to implement a worldwide network of distribution.

The cardinal principle to make the economic sphere work in a healthy way is to remove it from the realm of theory into a realm of interaction between associations. The economic sphere flourishes through associations, and the decision-makers in it should be people deeply involved in activities which call for working with many other groups like manufacturers, consumers, and organizations of distributors.

The Threefold Commonwealth idea is reflected in the structure and organization of many a mature Waldorf School. The economic sphere is a primary concern of the trustees. They, of course, also have responsibility for the rights sphere vis a vis the world. It is important that a good number of the trustees have roots in economic activity and stand in association with others who are part of the economic life. Usually some teachers are also trustees, but however gifted, they rarely enjoy such a network of connections.

The educational rights of the school are in the hands of a dedicated group of senior teachers who have made a commitment which goes beyond their individual teaching responsibilities. Collectively they protect the educational rights of the child and act a little like a headmaster.

The teacher must stand as a free individuality before his class. Naturally, he or she has to be active within the framework of the educational policies established by the group responsible for such policies. But in the classroom and in the faculty meeting there is ample room for individual creativity and individual enthusiasm. To an extent far greater than is customary in other schools, the faculty meeting is a meeting place for initiatives born out of freedom.

It is inevitable that this brief description does not do justice to any of the subtleties which belong to membering society in a threefold way. As specific elements of the economic life of Waldorf Schools are treated in subsequent chapters, it may be of value to recall the larger framework for the financial process which is a necessary part of a Waldorf School.

Each school is also a business, but there are different kinds of businesses. The school business office, the school finance committee, the school trustees are all part of an economic sphere within the cultural/

spiritual sphere. As such they must behave differently from the business office located within a commercial enterprise which is part of the economic sphere. Some of these practical differences will become clear with the help of this publication.

*In addition to being a Waldorf teacher for decades, Werner Glas founded and is the director of the Waldorf Institute, now at Spring Valley. He was President of the Waldorf Schools' Fund, served on several school Boards, and was Professor of Education at Mercy College of Detroit. Dr. Glas also served on the council of the Anthroposophical Society in America.*