

Associate!

September 2019

Newsletter of the Economics Conference of the Goetheanum Part of the Social Sciences Section of the School of Spiritual Science

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A respected colleague, Christian Groezinger, was sadly taken unexpectedly from our midst on 13 September after a short and difficult illness. The newest member of the Economics Conference, Christian's enthusiasm and courageous presence was felt by all and will surely be much missed. Christian showed fierce commitment to engaging practically with the work he found late in life through the Economics Conference. He actively worked to bring financial literacy to those with whom he was connected in his workplace – especially the young people – to which other commentaries here attest. Christian also had strong links with farming, and so in his honor this issue is dedicated to him and some themes that were close to his heart.

On reviewing all the articles and trying to bring them together in some coherent fashion, I happened upon an entry made in my diary on 13 September 2019, the day that Christian died. I had noted that in 'The Earth as a Basis of World Economy',¹ Walter Johannes Stein states that in 1879 the word 'economy' was first substituted for the words 'national economy' to indicate the tremendous change that took place from 19th century to 20th century economics. This was also in connection with Alfred Marshall's *Economics of Industry*, 1879. I had noted the question, "Was it in 1879 also that economics became 'liberated', so-to-speak, from the social sciences generally?"

It also strikes me that the general themes in this issue concern the possibility that exists for the coworking of different disciplines on behalf of humanity. Indeed, the fact that there are three, independently written references to Stein's book suggests such a confluence might already serendipitously be happening.

What, if anything, does all this mean? Removed from the fray, we are perhaps poised, maybe even listening and becoming active. And maybe because of this there are answers being given.

Sincerely,

Kim (Chotzen)

In Memoriam

Christian Groezinger (12 November 1961 – 13 September 2019)

Christian was always very warm-hearted when I came to Karlsruhe. I will carry him with many good memories! His death is a really big loss. A lot depended on Christian...
– *Fionn Meier (Switzerland)*

I feel blessed to have shared time with him these last two sessions. His humor, lion-like courage, his smoking breaks, his fierce devotion to objective truth... – *Jane Johnson (USA)*

I am sad to hear of our colleague's passing. He joins D'Arcy and others working with us from the other side. I appreciated his capacities that allowed him to work with the youth of Europe in such a direct way. I can see his smile and hear his laugh as I write this note. May his work continue through all who knew him. – *Lorene Allen (USA)*

I have a particular memory to share. I remember his flame when he was talking about bio-dynamics, his battle to remain faithful to the teaching of Rudolf Steiner against many misinterpretations around him due to lack of serious studies of the course for farmers. I understood that he was ready to carry this same struggle for truth, this same sense of responsibility for maintaining the integrity of the economics work of Rudolf Steiner... – *Marguerite Doray (Canada)*

¹ *The Earth as a Basis of World Economy*, Present Age, May 1937. Other items in this edition touch on this book also, but not by design.

I met Christian this year and I could feel his passion for anthroposophy and economics. I had the chance to talk several times to him, laughed and enjoyed our time together in Folkestone. I also had the opportunity to work on the letter to the Goetheanum with him, Meg and others. It was great fun! I will definitely miss him.
– *Mauricio Garay (Argentina)*



It will take me some time to realize that Christian left so fast and will not be with us on earth anymore. I appreciated very much his character – warm, smiling, very present but not pushing. Just after I received the email I heard a very close sound of wings, repeated. It was a goldcrest in my kitchen! As soon as I told it that I would help it to find its way out it turned towards me. Very gently, I approached with my broom, it sat on it and remained calm always looking at me. I put the broom through the window and it stayed on the broom looking at me without fear. I was so touched and grateful for that magic moment and have the impression that was not a coincidence that it happened just as we came to know of Christian's new journey. – *Stefanie Guyot (Switzerland)*

Reflections from the Convenor *Christopher Houghton Budd*

As convener, I am privy to many topics, questions and concerns that come to my 'desk'. Although communications to economics@goetheanum.ch also go to Kim Chotzen as administrator, I receive emails to me directly. Those shared with Kim are subject to triage, with me responding where the matter is one of content. On this basis, I then reply, partly 'officially' or neutrally, partly in my professional capacity both as an economic and monetary historian and as one who has had a life-long link to the deed of Rudolf Steiner – that great nine-day event which embraced and included the Christmas Conference of 1923, but was also much more than that. While the Christmas Conference can be said to have passed into history, the deed of Rudolf Steiner is of a higher order. It is a deed that waits on us to complete it, and one for which, moreover, our understanding is still in its infancy. It is from this dual perspective, therefore, that I would like to share some of the 'highlights' during the months since the last edition of *Associate!* in June.

But first, I would like to record my own thoughts on the recent passing of Christian Groezinger. He came to the Economics Conference, and its central theme of youth financial literacy, towards the end of his life (as it turned out). But he grasped what he found with both hands and immediately set forth to integrate it into his own work. He especially became a colleague in that quietly-growing corner of the associative economics world – Karlsruhe – where the *Freunde der Erziehungskunst* (Friends of the Art of Education) has its home.

He also immediately befriended Fionn Meier's work and began to plan things with him, concerning which I deeply hope Christian's absence will, as it were, prove but a hiatus, followed by greater guidance and enthusiasm from and because of where he now is.

It is indeed to be noted that the current and future biography of the Economics Conference is marked by the parting of some and the arrival of others – with not a long time allocated for passing the baton, it seems, between them. As well as Christian, mention should again be made of D'Arcy Mackenzie, Ulrich Roesch, David Clarke and Tamara Slayton. As also Benediktus Hardorp, who came to a couple of the earlier meetings at the Goetheanum. On the work of all these friends we continue to build, as also on that of Daniel Dunlop and others, particularly in the 1930s.

History has intervened to prevent their endeavours from gaining wide appreciation, let alone traction, but sometimes the longest paths on earth can be the shortest in heaven. On the other hand, much time has been wasted and there is much to do to catch up. 'A Second Chance' – in effect, our theme of the year – is not by any means meant in a cosmetic or rhetorical sense. If we are to recoup lost time and lost opportunity, we need to hearken carefully to the promptings of departed and future colleagues, for they may well be better able than us to interpret what is best done now. To what and where we should direct our efforts.

For example, looking back, I recently revisited Walter Johannes Stein's anthology, *The Earth as a Basis of World Economy* (see later item). But I did so, looking forwards, to the PhD thesis of Xavier Andrillon in Brazil, with its focus on reframing Brundtland's definition of 'sustainability' in the light of Rudolf Steiner's idea of 'true price'. Perhaps by such things bridges are built from the past to the future where none were imagined or thought possible. Likewise, what is one to make of the increasing activity, both entrepreneurial and academic, occurring in Italy where Marc Desaulles and Anita Grandjean are becoming frequent visitors?

Back in South America, late October sees our 3rd Annual Latin American Meeting (see elsewhere in this issue). Part of that includes two dimensions, in addition to the entrepreneurial and academic. One is purely poetic or imaginary: To what end was Latin America liberated? The first steps towards a new play will be taken, to be performed next year in Ecuador. What transpired between San Martin and Simon Bolivar? And was there a third person in the room, interrogating them, perhaps, as to the validity and future worth of their endeavours, as well as whether it respected what the ancients had done before them?

The second dimension concerns the financing of the Anthroposophical Society and movement in that part of the world. For it cannot be that our work is only turned towards the world in general. It requires that we, in our own endeavours, not only 'walk our talk', but become first movers. We should never forget that the world cannot instigate what is born of spiritual science, but it can follow and be guided by it. Indeed, before we accuse the world of disdain and opposition to associative economics (in our case) we need to make sure that we have a presence in that world, so that by being part of the debate we may influence its outcome.

In this regard, one last item on my 'desk' not covered by other entries in this newsletter concerns the work with the treasurers of the Anthroposophical Society. While there is no formal link between the treasurers and the Economics Conference, several of us live in both worlds, as it were, and in both the financial genius of Rudolf Steiner is appealed to. In the case of the Society, new possibilities seem to exist to give renewed life to the 'three calls' made by Rudolf Steiner during the Christmas Conference. Namely (but in my words):

- i) For groups of the Society to remit an agreed amount per member per year to the Goetheanum;
- ii) For the need to receive and host 'serious' amounts of money for the work of the School of Spiritual Science *within* the Anthroposophical Society (rather than outside); and
- iii) For the establishment of an association (or associations) that would allow humanity to say 'thank you' to Rudolf Steiner for the gifts he has brought to humanity's table.²

Ultimately, the deed of Rudolf Steiner must be brought right down into the economic life and the realm of finance. An Essenic attitude in those regards is not allowed to us, as he made clear at this time of the year ninety-five years ago.

18th Annual Meeting Reports

Folkestone, England, June 2019

A full report of this year's annual meeting has been prepared by Meg Freeling and is available here.³ Some reflections follow from Lorene Allen and there is also an account by Christopher in *Anthroposophy Worldwide* at <https://anthroposophie.org/en/news/folkestone-festival>.

What unites Humanity?

After the June annual meeting, two public lectures were given by Christopher that provided possible ways of answering this question. In the first, *Apples and Poppies*, delivered on the 100th anniversary of the signing of the Treaty of Versailles (June 28, 1919) in Folkestone Town Hall and Museum, a heavy suggestion was made to listeners that history can be told in a new way. What if the story of WWI and Folkestone became a context for an apology to all the youth who died on both sides? A consequence could be the creation of a 'Folkestone Youth Fund' from which young people could draw the capital they needed to undertake their journeys in life. The only 'collateral' needed would be the capacity to fulfill the requirements of modern financial literacy (bookkeeping, adequate profit, appropriate amounts and types of capital and positive cash flow).

The second lecture, entitled *A European Confederation*, was held in the Urban Room, Number One, The Plaza – a place where people can go "to understand, debate and get involved in the past, present and future of where they live". An audience primarily of young adults gathered in this simple and rustic environment to listen as an image was unfolded of a united Europe based on the ideas of Denis de Rougemont's principles for sovereignty and self-governance.⁴

Both these themes were offered to create the possibility of bringing 'the great detour' to an end. The 'detour' began with the Treaty of Versailles – the dividing of lands according to the desires for power over resources; the punishment of one country, Germany; the lack of shared vision for the world as one economy and one unified humanity of individuals; the lost opportunity to go toward accounting as the organizing principle for a one-world economy. It could end if humanity would take up this Second Chance.

L'Aubier Research Seminar

21-23 February 2020 / Neuchâtel, Switzerland

The dates have been reserved for the next research meeting at L'Aubier. The theme is still to be determined.

² See, for example, *Fonds Goetheanum* in *Anthroposophy Worldwide*: <https://anthroposophie.org/en/news/supporting-anthroposophy-without-being-a-member>

³ https://economics.goetheanum.org/fileadmin/economics/Annual_Meeting_Reports/EC_2019_18th_Annual_Meeting_Report.pdf

⁴ See Denis de Rougemont, *The Federalist Attitude*, an address given at the Montreux Congress, 27 August 1947.

19th Annual Meeting – (theme to be determined)

4-7 June 2020 Goetheanum, Dornach, Switzerland

The Economics Conference last met at the Goetheanum in 2007 and, as the centennial of Steiner's economics course fast approaches (2022), we think it fitting to convene there again. Though the themes have not been decided, it was suggested that a program be planned that addresses concerns carried directly by those at the Goetheanum. After this year's annual meeting in Folkestone, a letter proposing that next year's meeting be held in Dornach was sent to Gerald Haefner, Leader of the Social Sciences Section, and his colleagues at the Goetheanum. To date, there has been no official reply though a room has been reserved for the event and a meeting has now been arranged with him in November to clarify how we will proceed. In any event we suggest those interested make their travel plans.

Economics Conference Fund

Online donate buttons now available

For those who wish to contribute financially to the ongoing research of associative economics as referenced in Rudolf Steiner's economics course of 1922, there are now online access buttons on the Funding page of the Economics Conference website. <https://economics.goetheanum.org/funding/>. The funds donated via those links will be held until those carrying the work of the Economics Conference advise where they should be sent. A paper is being prepared by Christopher Houghton Budd and Stephen Vallus on how this works in the case of the Anthroposophical Society in America and Hermes Trust in England. To all those who have generously contributed thus far to this work, we offer our hearty thanks!

REGIONAL NEWS

Financial Literacy for the 21st Century / Ambassador for Youth Financial Literacy

Switzerland – Fionn Meier

This project, which combines further research on financial literacy and the striving to bring this topic into the Waldorf School movement and into public debate, started in 2019 and is mentored by Florian Osswald (Co-Leader of the Pedagogical Section) and Christopher Houghton Budd (Convenor of the Economics Conference). Some first steps were already reported in the June issue of *Associate!* Standing in the midst of the project, I can see that it is unfolding in three dimensions: my own research based on practical teaching experience, co-working with partner schools and institutions, and publicity.

Research and classroom experience:

How can financial literacy find its way into classrooms? What is an appropriate way to teach double-entry bookkeeping, budgeting and other financial subjects, so that the students can feel that it is for them and their future? Which age is ready for which step? With questions like this I had, after my teaching in Wetzikon in the 9th grade class this spring, the opportunity to get two further classroom experiences. First, this summer I taught a one-week intensive in double-entry bookkeeping and entrepreneurship to the 10th grade class at the Steiner-School Schwabing in Munich, Germany, together with a school math teacher, Dr. Gregor Schneider. My experience was that the 10th grade is intellectually capable of understanding the principle of double-entry bookkeeping in a very short time and also of applying it to practical business ideas. Schneider, who had only heard a little about double-entry bookkeeping and entrepreneurship beforehand, concluded after the week:

"In retrospect, the extremely high importance of the topic for the students of the 10th grade was proven to be true for me. They were thrown back on their own abilities and desires by the invitation to start an enterprise, and by imagining themselves as creative contributors to the social context of the school and beyond, in which they were asked to actively produce something. Their wills were engaged through the practical and conscious instrument of double-entry bookkeeping. These first experiences encourage me to take up the topic again in my next 10th grade, but this time for a more extended period of time, and (if practically possible) supplemented by a one-year elective course in the 11th grade for those who want to implement a longer-term business idea."

But, can double-entry also be taught to students under the age of fifteen, as Steiner (3.9.1919, GA 294) argues is necessary? I have the opportunity to explore this question in the Steiner School Steffisburg (Switzerland), where I am working at the time of writing with the 8th grade class (age 13 to 14). In the midst of the teaching, what can already be stated is that the students at this age were very keen to understand the finances of a bakery! And now, as we are nearly finished, I can say that to work for two weeks with students of that age on double-entry has been just great!

Partner Schools / Institutions:

This summer I have been invited by the Parzival School in Karlsruhe (Germany) to work with their teachers on the question of how to include the topic of financial literacy in their curriculum. Bernd Ruf, leader of the Parzival-

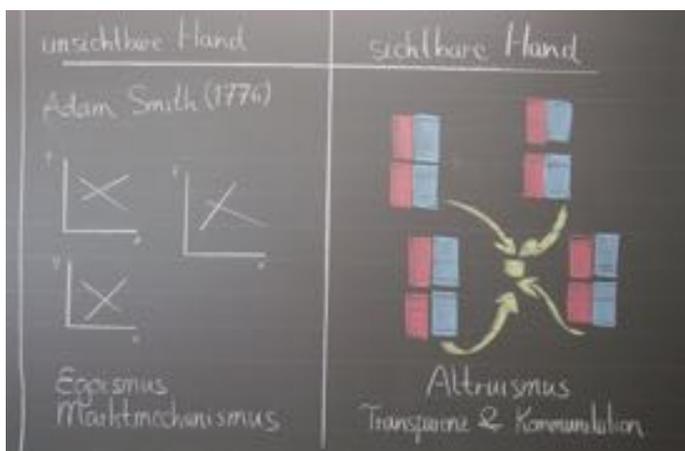
School Centre, is currently working together with Thomas Stöckli, Co-Leader of the Class Teacher Training for Steiner Schools in Switzerland, on the question of how to bring the idea of social threefoldness into the curriculum of the Parzival School. In this context, my ideas were very welcomed and the co-work will continue this autumn.

Two other Swiss schools that I am working with are the Steiner-School in Kreuzlingen, where I am invited to work this October with their teachers on the question of financial literacy and Wetzikon, where I also will have further teaching opportunities in spring 2020.

With 'Freunde der Erziehungskunst' the co-work is also continuing (see also the report by Leif Sonstenes). For this autumn, a pilot-seminar is planned to explore how the content might fit in their program for their volunteers. Christian Groezinger, as Head of Branch Office, Karlsruhe, took part enthusiastically in the planning for the next steps. Now he has left the physical earth, but we hope his inspirations and fire will continue to accompany us. I have also been invited to work with the seminar-leaders at their "retreat-weekend" on the question of "financial maturity".

Publicity:

In *Anthroposophy Worldwide 7-8/2019* a brief article on my research project has been published. A further, more detailed article about teaching financial literacy is also published in *Schulkreis*, the magazine of the Steiner-Schools in Switzerland.⁵



Looking ahead:

Florian, who knows many teachers around the world who are interested in the topic of financial education, and I recently agreed to do a three-year research project from 2020 to 2023. The idea is to have a series of research colloquiums which are international in character and where teachers that are active in this field can meet in order to work together on the question of financial literacy in the Waldorf School movement, back-grounded by Rudolf Steiner's contributions to pedagogy and economics. The colloquiums will be organised by the Pedagogical Section together with the Economics Conference.

"From the egotism and the invisible hand (left) to altruism and the visible hand (right)." – Blackboard drawing by Fionn Meier.

Small Steps in Karlsruhe

Germany – Leif Sonstenes

As the saying goes: "Talking is easier than walking." After several internal meetings (including one with Fionn Meier), we⁶ have started to develop a strategy to permeate our organization with financial literacy. Our endeavor is a real micro-cosmos of the world 'out there' in the sense that very few of the 140 or so colleagues have already embarked on the journey to financial literacy. More now experience the need, and some have agreed to join in with this pioneer effort, but one sees at every turn how entrenched we all are in traditional ways of economic thinking... we are still so far away from imaginative cognition.

A bright light on the Karlsruhe horizon is the weekend of November 22 to 24. On the Friday, we will conduct our next entrepreneurs' meeting with invited local entrepreneurs. Saturday, we will host the third meeting of the research colloquium, which had its first two meetings in Dornach. Here a handful of practitioners will grapple with the question of how to adapt/build a set of accounts that reflect the principles of associative economics.

Parallel to the entrepreneurs' meeting and research colloquium, we will have two public lectures on Friday and Saturday evening, "Finance and Spirit Self" from Christopher Houghton Budd and "Financial Aspects of the Christmas Conference" From Marc Desaules. We will then explore the content of the lectures on Sunday morning.

Maybe we could rename the weekend: "talking and walking."

⁵ <http://steinerschule.ch/schulkreis/>

⁶ The we refers to Leif and Christian Groezinger. This piece was written shortly before Christian died, but we felt it should be included even so.

3rd Economics Conference Latin American Meeting⁷ Brazil – Daniel Havro

As a continuation of the events held in Mendoza and San Andrés de Giles in 2017 and 2018, it is with great pleasure that we are organizing to the 3rd Latin American Meeting of the Economics Conference, in São Paulo, Brazil 2019!

This meeting will take place against the backdrop of the theme "The I and Modern Economics – The Enterprise as an Initiation Path", which was addressed at Christopher Houghton Budd's conferences in Barcelona in 2007 under the title "El Yo y la Economía" (*The I and Economics*)⁸. We will also continue with the question that moved us in previous years: "What is Latin America's contribution to a world economy?"

The process of organizing this meeting has been both challenging and rich. It is notable that the meeting has been organized differently than according to the current policies and practices of the Anthroposophical Society in Brazil (SAB). The organization group has obtained permission to use the SAB venue along with being able to determine its own registration guidelines, learning along the way what it means to take initiative as a representative of the Economics Conference work.

The initial interest shown by the high number of early registrations was very encouraging. As early as August, we decided to change the meeting to accommodate more than 30 people. And we are happy that the crowd will be widely representative of Latin America with participants from Argentina, Ecuador, Chile, Uruguay, and different Brazilian cities.

As Christopher Houghton Budd wrote in *El Yo y la Economía*, as the context of this next meeting we anticipate the following: "The logic of accounting has no national language, no folk-soul, and it's numeric. This has the consequence, or the potential, that accounting is an instrument whereby the I can know itself in every single human being. (...) Accounting is the organ of perception of the I, true pricing is the instrument of the I in the world. (...) We need a kind of money that is not only, like the eye, an organ of perception for the I, but between I's in conversation with one another."

THE I AND MODERN ECONOMICS
III ECONOMICS CONFERENCE LATIN AMERICAN MEETING - PART OF THE SOCIAL SCIENCES SECTION OF THE GOETHEANUM

Meeting with lectures, plenary sessions and Latin American case studies from Rudolf Steiner's contribution to Economics

Invited lecturers
Dr. Christopher H. Budd (England)
Mauricio Garay (Argentina)
Xavier Andriillon (Brazil)

Further information and registration:
bit.ly/eu-economia

October 24-27th 2019
Place: São Paulo/SP - Brasil

> Meeting at Clínica Tobias - R. Regina Badra, 576
> Evening lectures at Espaço Cultural Rudolf Steiner of the Anthroposophical Society in Brazil - R. da Fraternidade, 156

Registration Fee: R\$ 580
*If you think it is relevant to fund the registration of other people or to receive donations that make your participation feasible, please get in touch with the community in which you are active or contact the meeting organization.

Support
SOCIEDADE ANTROPOSOFICA

On the Road with Financial Literacy USA – Daniel Osmer

A recent trip to Michigan, allowed me to swing through Ann Arbor and attend the all-day 'extended collegium' of the Social Sciences Section in North America on Saturday May 11, 2019. The gathering at Rudolf Steiner House was relaxed and cordial, including poetry and play with Denis Schneider and the wisdom of the stars with Mary Adams. Just before our lunch break, the leader of the Natural Science Section in America, Judith Erb, invited members of the Social Sciences Section or any other Section to join them for their next annual meeting this coming November 13 to 17, 2019. She thought that it would be fruitful to 'compare notes' and have other professional sections share their research and contribute to this year's theme of the conference, "What is the Earth Asking of Us? Changing our Thinking about Climate Change". As soon as the sound of her invitation reached my ears, I blurted out, "Oh, that reminds me of Walter Johannes Stein and the 1937 publication, 'The Earth as Basis for World Economy'.⁹ (See item elsewhere on this book.)

On a second trip, I met Judith and local economics professor, Geoff Henny of Cleary University. Geoff is a climate activist, teaches political economy and is leading the effort for an on-campus 'eco-village' program called Eco-Collaboratory, a community initiative to create a hands-on permaculture, economics and sustainability training. Along with Johannes Kuhl from the Goetheanum (Natural Science Section leader), both Judith and Geoff will be keynote speakers over the course of the conference.

I have been asked to present for an hour or so on the evolution of money and the 'economic thinking' described by Rudolf Steiner in his 1922 economics course of fourteen lectures. I will try to answer what has economics to do with climate change and what does Steiner say about a true economic science and economic thinking? What lies behind and above the process in the creation (and destruction) of economic value?

⁷ It is worth noting that this event takes place against a background of deep crisis in both Brazil and Argentina. Nevertheless, it is fully-booked.

⁸ <https://www.editorialrudolfsteiner.com/search?type=product&q=la+economia+moderna&submit=Buscar>

⁹ Consider, " ... the Earth is much more than a celestial globe floating in space, much more than an object of dry, abstract study. We feel the Earth not merely as a structure composed of continents and seas, rivers and lakes, mountain ranges and plateau, but also as a friend, as a being of intelligence and soul. It is our duty in this age to carry the wisdom of the Earth herself into our economic arrangements."

The trip included a conversation at the Rudolf Steiner High School in Ann Arbor about the idea of creating a team comprising a class teacher, secondary school teacher and university economics professor to incorporate associative economics, as an action research project, into the Waldorf curriculum in an age-appropriate manner demonstrating its 'content portability'.

The threefold social organism as cited by Rudolf Steiner over a hundred years ago leads to our current investigation of the threefold nature of economic life and its reflection in accounting and money. It is awakening and becoming conscious in the economic life (fraternity) that provides opportunity and the 'fast-path' to freeing the cultural life of human abilities, talents and skills that in turn feed the economic life. Are globalization, advanced technology, artificial intelligence and the climate crisis contributing to the realization of the tasks of our time? If so, how do we respond if all the new technology and professional fields of life that appear to be useful to humanity turn to the negative?

All in all, a truly sustainable and conscious enterprise needs people to be literate in accounting as the universal language of economics. The categories of 'people, planet and profit' are already part of the structure of accounting and in a form (read, labour, land and capital) that allows individuals to take responsibility for their effects in those areas. Without this tool and the literacy necessary to use it, many of the other strategies used to address modern problems will simply fall flat or backfire.

To guard against this possibility, one can do worse than remember Owen Barfield's words in his introduction to the original translation of Steiner's economics lectures: "In these lectures he shows that the economic process is an organic one in constant movement and that it can be known in its reality only by a method of thinking which immerses itself in the phenomenon and creates living mobile pictures of all its changing phases. The lectures themselves manifest a new way of economic thinking and demonstrate the method by which the economic life can be mastered by the human spirit in association."

On the Composition of Rudolf Steiner's Economics Course

Stephan Eisenhut, translated by Leif Sonstenes

For many years, working mainly in Germany and Switzerland,¹⁰ Stephan Eisenhut has explored Rudolf Steiner's Economics Course in the light of statements he made¹¹ where he describes how certain lecture cycles are composed in such a way that the composition itself – how and where specific themes appear and disappear – provides crucial keys to a deeper, even imaginative, understanding of the content. Here is an excerpt from Stefan's paper.

...in the summer of 1922, long after the Threefold Social Order movement had failed, Rudolf Steiner gave a 14-day course to a small number of economics students plus a few selected individuals. This course can be seen as a kind of legacy because in it the fundamental forces of modern economic life are illuminated such that a *perception* of the economic process can arise. However, this perception can only occur when those who are trying to perceive first overcome, out of their own free will, the force that tries to push concepts into a stiff, dead form: they must pit another force against it. They must practice a specific type of activity in order to cultivate this, inner, perception. When the content that Rudolf Steiner develops in this course is only taken up with the habitual kind of thinking, it will either be pressed into theories or rejected as incomprehensible.

Rudolf Steiner, however, helps us to develop this perception of the economic process through the way that he crafts thought upon thought. Normally we expect a scientific lecture or book to proceed in logical steps from one thought to the next. Rudolf Steiner operates in a different way. Using thoughts, he paints a picture. And he challenges his readers to take up what he must develop sequentially and to transform it more and more into a side-by-side presentation, which is the nature of an image. This is no small task for a text that is more than 200 pages long. But whoever is willing to go this path of consciousness will observe how one enters consciously into the sphere of the universal formative forces of social life and develops precisely in this way a feeling for them. This feeling capacity becomes the foundation for a future social organization. The more individuals develop this feeling, the more healthily can they form the social organizations with which they are involved. The social organism cannot be built from grey theory.

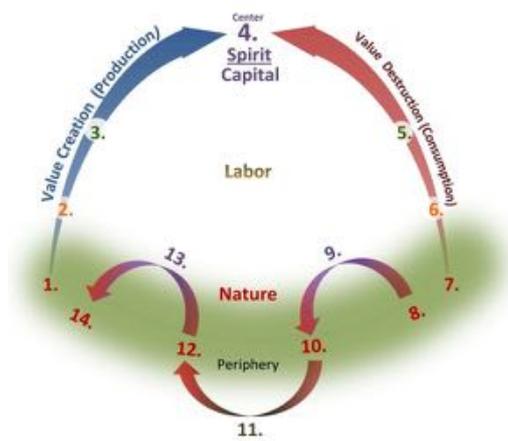
The knowledge of the composition of the economics course helps one to develop these picture-concepts. When one is aware that a theme is developed at a certain point in the course because the picture-composition requires it, one learns to see the text in a different way. Individual content fades into the background and the quality inherent in the content itself begins to speak. The observer rises up from thought logic to picture logic, and so to the composition and inner structure of the course...

The Composition of the Economics Course

The Economics Course contains two series of seven lectures each with the fourth lecture being something of a center for the entire course. This is shown in the graphic below: the first four lectures explore the question of value development in the economic process from the point of view of value *creation*. From the fifth lecture on,

¹⁰ For example, as editor of *Die Drei* magazine (<https://diedrei.org>)

¹¹ For example: Rudolf Steiner. *Practical Course for Teachers*. Lecture 3 in Stuttgart given on 23.08.1919.



value *destruction* is explored. Value creation reaches its culmination in the creation of capital. Value development is however not only the building up of capital, but in particular its proper destruction. Thus, the fourth lecture not only elucidates the creation of capital but goes on to pose the question of how it is used up.

When one follows the composition of the first seven lectures, a progression of thought becomes apparent. Beginning with the peripheral, purely earthly relationships, where life's polarities meet and interact, the discourse moves on to recognize the spirit as the central transforming and energizing element of life, before returning back to earthly circumstances to pose crucial questions about the inner structure and organization of the economic process. It is no accident that this fourth lecture concludes by investigating the health of the national economy and that the eleventh lecture begins with a sickness theme: Why did World War I last far longer than contemporary economists thought

possible? Because if capital is not properly consumed, then the accumulated capital has no positive value for society, but instead becomes a negative force that creates conditions of social illness.

Lectures eight to fourteen are structured in a completely different way. Rather than moving from the periphery to the center and back, the economic process is viewed from the standpoint that an individual human being must take. As the point of view for any individual person in economic life is always peripheral, the difficult question becomes: How can the point of view of the center create structures in the periphery without working in a tyrannical way? Lectures eight to fourteen oscillate, as it were, around an axis that brings these earthly relationships into images. Lectures nine to thirteen delve into circumstances that cannot express their values directly in the economic process, but rather go beyond it (the effect of capacity creation for example – the gifted doctor heals more quickly than the unskilled one). The eleventh lecture discusses forces that tend to want to drag the whole process into the abyss, unless constructive impulses are called up again and again from the side of the spirit. The question about the organization of money permeates the entire second half of the course. According to Rudolf Steiner, the most important economic question of all, that of true price, can only be answered when the money process is organized in such a way that it does not falsify values, and so prices...

Revisiting 'The Earth as a Basis of World Economy'

Prompts to inter-section work in the School of Spiritual Science

Christopher Houghton Budd

There are, or at least I have, two reasons for revisiting *The Earth as a Basis of World Economy*, edited and published by historian, Walter Johannes Stein, in May 1937.¹² The first is the doctoral work in Brazil of our valued colleague, Xavier Andriillon, who is asking if the Brundtland Report's definition of sustainability – "... development that meets the needs of the present without compromising the ability of future generations to meet their own needs" – could or even should not be reprised in the light of Rudolf Steiner's idea of true price.¹³ The second is the recent film *The Current War* which centres on the rivalry between Thomas Edison and George Washington in the early days of the electrical industry. Two themes connect that film to Stein's, and therefore also Daniel Dunlop's work.¹⁴ One is the use of electricity – as, indeed, any technology – to harm as well as benefit humanity. The other is Dunlop's lifelong 'outer' career in direct link with electricity and the Westinghouse company in particular.

The link to modern treatments of sustainability is crucial, for I suspect little has been done in this regard, and the sustainability movement makes little if any reference to Dunlop's work. *Silent Spring*¹⁵ and *Only One Earth*¹⁶ came in with a bang in 1962 and 1972 respectively, but Dunlop's work predates those texts by a long way. Similarly, the biodynamic work precurses the organic movement with the latter in the UK even owing its existence and the Soil Association its logo to followers of Steiner's ideas.

The connection to *The Current War* is admittedly tenuous, perhaps even non-existent. And yet, why such a strange film now? Are movie-makers scraping the barrel for novel material, or has this theme emerged for some synchronous, albeit as yet undeciphered reason? At its heart are two obvious sub-themes – the choice between direct and alternating current, and the eventual co-operation between rivals, much as Dunlop always advocated was the true nature and imperative of modern economic life. And did so long before he met Rudolf Steiner.

¹² *The Earth as a Basis of World Economy*, Present Age, May 1937.

¹³ A true price is forthcoming when a person receives, as counter-value for the product he has made, sufficient to enable him to satisfy the whole of his needs, including those of his dependants, until he will again have completed a like product. *The World as One Economy*, Rudolf Steiner.

¹⁴ Daniel N. Dunlop, 1868-1935.

¹⁵ *Silent Spring*, Rachel Carson, Houghton Mifflin 1962.

¹⁶ *Only One Earth: The Care and Maintenance of a Small Planet*, Barbara Ward and Rene J. Dubos, Published by W. W. Norton, 1972.

Actually, there is, or I have, a third reason for this essay. The book being revisited here was but an early one of many steps Dunlop anticipated towards putting both finance and the so-called 'real economy' on a true economic foundation.¹⁷ Perhaps this essay is one such step for it has to be admitted that much time has been wasted in these respects since Dunlop's death in 1935. The 'reigning of karma' since Steiner's death has done untold damage to true progress, laming the very people who could guard against this through their own scientific research endeavours. (Stein himself was a physicist.) But there are greater depths to history here. At the Christmas Conference, Rudolf Steiner wondered where Dunlop was. Maybe he was in the midst of preparations for 'his' very successful World Power Conference in July 1924.¹⁸

In critiquing *The Earth as a Basis of World Economy*, I assume my reader is familiar with its contents or at least has read it cursorily. Here is not the place to rehearse its many details and facets. I will simply make as plain as possible the themes and their location in the book when I treat of them. And I will do so as they occur to me on journeying through the book for the fourth or even fifth time since the very start of my 'career' in associative economics.

A first thought is to locate the book in the 1930s, when it was written as part of *The Present Age* journal, which was published from 1935 until 1939. Of note here is Keynes observation in his *Economic Possibilities for our Grandchildren*¹⁹, that, while we have solved the economic problem, of producing enough for all our wants, we have yet to solve the distribution problem, of ensuring the results of our productivity are equitably shared. To do that, not only do we need to understand that distribution is a 'heart' function in economic life, not a sector to be captured by oil companies or supermarkets. We also need to do what Stein, at Dunlop's urging, was seeking to do – make concrete the true and evolving nature of the earth as the basis of the so-called 'real economy'. An earth, by the way, that is as much dying as it is living.

A second general consideration is that Stein's style in this book is discursive, rather than systematic, and punctuated by rather than anchored in what today would be sought after in terms of 'evidence-based objectivity'. Many of his references may need corroborating and updating, therefore.

Chapter 2 enters into the field of cosmology. Here, however, I am out of my depth. I assume that cosmology – the more so if it is born of spiritual science – and modern-day geology are not natural bedfellows. In this respect, Stein's statements and claims surely need updating and restating. For modern understanding has progressed greatly since the 1930s and not always in an unsound, speculative manner. But this, as I say, is not a task for an economist.

Likewise, I am not able to comment on chapters 3 and 4, which concern chemistry and metallurgy. This would, however, be a great task for the Natural Science Section of the School of Spiritual Science. Similar could be said of chapter 5, *The Oceans*, except that there is no Section for Oceanography. But Stein's image of the oceanic currents is surely valid (and if not, should be repudiated) for those of us who live in a time when those currents are of critical importance for those seeking to rid the oceans of eight decades of plastic.

As below, so above. Chapter 6 on air and temperature is short like the rest. Its truths, if that is what they are, need restating. Though aphoristic from an academic point of view, the chapter contains a wealth of information which, if verified, may well help in adjusting today's climate and environmental compass, which is not only in need of recalibrating but also re-anchoring in some shared scientific certainty. Again, not a task for an economist, who while mapping the real economy should be well able to appreciate the advice and findings of environmentalists, but ought never pretend to be one. (The reverse statement is probably also true!)

Chapter 7. From weather to music to planetary influences on harvests, and therefore also on prices. Only the last of these is the economist's province. But what a wealth of research opportunity and challenge for agronomists and meteorologists. The invitation to the Agriculture Section is self-evident, but in which section is meteorology located?

Finally, chapter 8, entitled 'World Economy'. Here, one might expect, is the moment for economics. Perhaps. In fact, Stein says that to arrive at a true economics, we need to denationalise economic life, for which we need to find a new *non-economic* (he says "psychological") basis for nationhood. We have also to ensure that what is physically or technically possible does not outrun what we can morally underwrite. And in conclusion Stein writes: "When we look at the present world situation we cannot help wondering whether the economic problems are not, after all pedagogic problems! How can we train ourselves to think economically?"

I would close with one remark. The book ends with a chapter on world economic organisation, but by David Ferguson, not Stein, and so I do not include it. But its topic is broached at the outset by Stein, for it was central to Dunlop's conception – the need for worldwide global organisation. The form this would take, beginning with the World Power (nowadays, read Energy) Conference²⁰ needs to be brought back into view and seen in relation

¹⁷ Meaning the one cannot exist without the other.

¹⁸ I can vouch for the fact that often when opportunity arises to affect or at least dialogue with 'mainstream' events, the timing coincides with serious anthroposophical nodal points, the attendance at which one has to trust (perforce of a kind of spiritual division of labour) to colleagues whose destiny, conversely, is not so outwardly oriented.

¹⁹ *Economic Possibilities for our Grandchildren*, John Maynard Keynes, Macmillan 1930.

²⁰ <https://www.worldenergy.org>

to the post World War 2 General Agreements on Tariffs and Trade, and especially their replacement since 1996 by the World Trade Organisation. Founded at the same time, the IMF and World Bank also need to be included in such a survey.

How, if at all, do any of these *subsequent* developments align with Dunlop's image? Has the moment passed? Or does the idea of true price sustainability keep the possibility open? Is associative economics in its formal mainstream sense in antithesis to or a transformation of market theory? At the end of the *cul de sac* into which Adam Smith has led us, do we meet a blank and solid wall, or do we see aspects which allow us to see through and so go beyond it?

The Locus of Change

chb

In 1919, Rudolf Steiner wrote that, "...ever since the Reformation and Renaissance, the economist has been emerging in modern civilization as the representative governing type... Egyptian pharaohs, Babylonian rulers, Asiatic rulers – they were initiates. Then the priests... since that time, the economist has had the upper hand. Rulers are in fact merely the henchmen and enforcers of the economists... One must not imagine that the rulers of modern times are anything but the economists' agents..."²¹ In 1935, as if by way of response, John Maynard Keynes wrote: "The ideas of economists and political philosophers, both when they are right and when they are wrong are more powerful than is commonly understood. Indeed, the world is ruled by little else. Practical men, who believe themselves to be quite exempt from any intellectual influences, are usually slaves of some defunct economist."²²

But so it must be in an age when spiritual life takes on an economic character. And yet, we must beware castigating economists. The question is what kind of economists and what kind of economics. Rightly understood, associative economics is what will lead humanity out of its economic materialism, although that begs the question: 'What is associative economics?'

A clear related theme is where is the locus of associative economics in our time? Where and how will economics recognise the spirit? And where better and how more effectively than by capitalising initiative wherever it occurs? For that, surely, is a universal and worldwide principle? It is not the province or specialisation of any particular group or country. That said, there is a continuing tension within the anthroposophical movement over whether the locus for such things is still in Central Europe and still within the 'threefolding' work.

In the second of three lectures, given in Oxford in August 1922, Steiner said the following: "...the birth of the industrial world order ... has evolved under the influence of the manners and customs of the eighteenth century in western countries, and has adapted itself to them. To put it still more concretely, in the course of modern historical development, England has become the great trading nation. Capital ... has developed in western Europe under the great trade relationships as commercial capital..."

"Thus, it is clear that what emerges as the industrial order was a direct continuation of the commercial evolution of the West. Industry evolved organically out of trade. In middle Europe and in Germany, which was the representative country of middle Europe, that was not the case. Right up to the middle of the nineteenth century, Germany was essentially an agrarian country, a country in which agriculture widely predominated. And what existed there as modern industry, this modern industrial stream which had established itself as a third stream side by side with the other two, was a kind of political structure, a structure which became more and more firmly established in political form, and thus the tendency developed to merge, to absorb industry into the political state.

"For the moment has passed for middle Europe when the social question could have been realised in the way set out in that book.²³ The moment had passed as soon as the swift currency devaluation which so completely handicaps German economic life had set in... Therefore, I think for the future my 'Threefold Social Order' will be more read in the West and in Russia; that there is today no possibility of its being realised in Germany. But despite this much can be learned from this book in the West, for it avoids utopias and points out how the three members stand side by side, and how they ought to co-operate."²⁴

The deep importance of the distinction between English and German economic history is also an important theme of his lectures on economics, held a few weeks prior. At that point, Steiner stressed the need to differentiate between the two countries' mortgage laws.²⁵ The only person I know to have followed up on this theme is the, sadly late, founding colleague of the Economics Conference, David Clarke. This remains the key backstory,

²¹ *The Incarnation of Ahriman*, Rudolf Steiner Press, London 2013.

²² In *The General Theory of Employment, Interest and Money*, ch. 24, p. 383 (1935).

²³ *Threefold the Social Order*, Oxford 1922. New Economy Publications, Canterbury, England 1996, pp. 24-6.

²⁴ Referring to *Towards Social Renewal*. Rudolf Steiner. Rudolf Steiner Press, London 1977 [1919].

²⁵ *Economics – The world as one economy*. Rudolf Steiner, New Economy Publications, Canterbury, England 2014 [1996/1922]. (GA 340) Lecture 5.

however, not only as regards the anthroposophical movement, but for humanity as a whole. It has been, ever since World War One made strangers of the cousin peoples of Germany and England.

Where is the Estuary?

Publications News
Kim Chotzen

Early on in my exposure to associative economics, I was introduced to the idea that if modern life is really to change, the process could be understood by considering the analogy of an estuary. (Thank you, Carlos Jaime, Brazil!) An estuary is where the river meets the tides of the sea – a flow of fresh water into salt water. I imagine that in order for there to be a sea-change, what is at the source of the river must make it to the estuary where it can be carried off into the great seas of the world.

Since 1997, I have sought a course of change on the path of associative economics. I learned accounting when I didn't know how to balance my checkbook, studied the Economics Course of Rudolf Steiner, and became an active member of the Economics Conference, both as a researcher and as its administrator. It has often been perplexing, even exasperating, to experience how little recognition there is for what I consider to be world-significant work. It has from the beginning been dedicated to understanding how to apply principles of associative economics in such a way that they eventually make their way to the estuaries of the world and beyond – especially into the realms of young people.

There is now a substantial volume of research available,²⁶ which, if taken up in serious ways by those involved in finance, education and entrepreneurial activity of all sorts, might just find its way to the estuary. This literature represents many years study and in-field research by an increasing number of colleagues in business and in academia. Grounded in entrepreneurial experience rather than distant contemplation, and always asking 'Is this how Steiner's ideas would manifest in practical life?', the many publications arise from examination of the writers' engagement in modern economic life.

All this work has been written up, often from lecture transcripts, in some cases translated, before being edited and refined. It has now been brought together under two imprints – *Associative Economics Worldwide* and *Christopher Houghton Budd / Collected Works* – with the tasks of printing and distribution carried by Centre for Associative Economics Ltd in England.

Having been party to much of this work these past ten or so years, I have agreed with Christopher (by whom for the most part these various tasks have been carried to date) to take on the dissemination of this *oeuvre*, both works to date and to come.

An Improbable Conversation

When, hosted by Keynes, Steiner and Wilson met in Folkestone in June to mark the centenary of the Treaty of Versailles, a local person happened by with his camera and recorded the event for others to glimpse. You can now join them if you wish: <https://vimeo.com/352678017/872e4e51f0>

Post Script

Just prior to publication we received a flurry of emails concerning the forms of entrepreneurial activity and climate change. In the next edition, therefore, we are thinking of taking these as themes. In effect, they elaborate some of the topics already touched on in this issue.

²⁶ See <https://economics.goetheanum.org/index.php?id=10545>