

Associate! September 2022

Newsletter of the Economics Conference of the Goetheanum

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The intended theme of this issue was looking to 2023 and the relationship between Rudolf Steiner and Maynard Keynes. As it happens, the focus is mainly on Rudolf Steiner's insights insofar as they inform the associative economic perspective. But Keynes can be seen peeping out from behind the paragraphs, as it were, by way of Daniel Havro's contribution (p.12) and the links he provides to a substantial paper on Brazil in the light of Keynes's ideas. This 'event' contributes to the sense one can have of a quickening of associative economics, albeit unknown perhaps even to those involved, and certainly to the world at large. The main gesture of this edition is to highlight and contextualise this sense of quickening.

Meg Freeling reminds us of the unfinished seminal work of Walter Johannes Stein. To finish it, the seeds sown need to begin to sprout. But who will come to water and tend them? **Christopher Houghton Budd's** 'Marshallian Detachment' aims to be as precise as one can be about why and how economics set itself apart from the other social sciences and how, through associative financial literacy, this necessary historical development can be overcome. **Marcelo Delajara's** account of today's latest crisis shows how today's events can be subtly framed in terms of Rudolf Steiner's framework of threefold society and one world economy when taken as a primary reference and using language that a lay public can appreciate.

Several Projects at the Same Time provides an overview of developments in Brazil that, when taken together, provide something of a road-map beyond Marshall's 'detachment'.

Fionn Meier further documents his work in associative financial literacy in the case of Waldorf schools in Switzerland. This – the teaching of associative financial literacy in high schools – has surely to be at the centre of any escaping from today's increasingly empty tropes in business schools and policy circles. **Lucia Sígolo** and **Camila Pannain** have filed a report from Brazil on the workshop they held there in August.

As if to reflect back on all this activity, **Kim Chotzen** provides an account of a centenary commemoration of Rudolf Steiner's economics course that was recently held online from 24 July to 6 August.

We close with *Comments and Correspondence*, which includes 'Argentine Update' where **Mauricio Garay** provides a brief update on associative economic activities in Argentina. And **Daniel Havro** uses the occasion of the 200th anniversary of Brazil's independence from Portugal (but not Britain, it seems!), to give his **aeBookstore/Brazil** a soft launch by publishing a paper on *Brazil in the light of Keynes's 'unspoken mission'*.

Much of this issue's content will be seen to be born of the southern part of the western hemisphere. Is there a story unfolding here? Anglo-American hegemony is clearly at a critical point. Crisis and substantial geo-political change is afoot, but bringing with it manipulation and instability in the worldwide economy. Is the quickening mentioned earlier wishful thinking, even delusional, or might it be that, though nano in scale, the various themes touched on here are signs indeed that the 'second chance' is upon us if we can but grasp it?

Warm greetings,

Christopher Houghton Budd and Kim Chotzen

We pay our taxes with pride because it's another way we contribute to the communities we serve.

– Joe Garner, chief executive Nationwide Building Society.

The *i* Newspaper, London 30 May 2022



The Unfinished Work of Walter Johannes Stein

Meg Freeling / Columbus, Ohio, USA

In the previous issue of *Associate!*, Meg Freeling wrote about Owen Barfield's idea of 'new thought forms', noting that "...anyone who has ever attempted to inculcate an idea with even modest pretensions to being new, will understand what an important part of the task is this establishment of a suitable form of thought," as he put it in his article, *Equity between Man and Man*.¹ This sets the stage for the following description of how the very special collaboration between Daniel N. Dunlop and Walter Johannes Stein from 1933–1935 laid down a concrete and practical foundation for establishing a new consciousness of – and new thought forms for – the world as one economy.

Based on the creation of a comprehensive, international survey of the world's energy resources, first published by Daniel Dunlop in 1929 as the *Power Resources of the World*, for this project to succeed, immense preparatory work was required. "...a uniform method of calculation had first of all to be worked out, one that would make it possible to compare all the information streaming in from the different corners of the earth – otherwise it would be of no practical value whatsoever. Apart from this, political barriers had to be surmounted, for if information were withheld for political reasons it would not be possible to establish an adequate overall picture of the real position, even if a uniform method of calculation had been found."² Even though it was still an imperfect prototype, the initial monograph was published in order to "communicate the impulse of applying *world-criteria* to the analysis—as the only criteria that can do justice to the technical development of present civilization which has, *de facto*, reached the stage of *world economy* even if human *comprehension* of this development often lags behind the facts."³

Since then, the World Energy Conference⁴ (formerly the World Power Conference) has brought out several such volumes concerning the world's energy resources. In 1980, the then U.S. President Jimmy Carter commissioned another such comprehensive study— *The Global 1000 Report to the President*⁵ – whose authors stated that, "to a large extent, they had based their own research on estimates made by the World Energy Conference, as these are still considered to be authoritative."⁶

In 2007, Pierre Gadonneix, Chair of the World Energy Conference, said: "With the failure of the Kyoto and Doha trade negotiations, the need for a strong global governance of energy is more important than ever."⁷ He then recalled Dunlop's original vision of "international cooperation and mutual understanding of expertise, expectations and demands [such that] the World Energy Conference continues to be, in H. G. Wells' 1924 phrase, 'a breath of common sense' in a global age."⁸

World Economic Conference

At the root of this work was Dunlop's following idea: "If industry and commerce are to free themselves from the limitations imposed on them by an outdated form of national economy, which is always kept in check by national and political interests, then no economic activity will be practicable or can even be contemplated without being established on an exact knowledge of the sources of energy existing in various countries as well as the real scope for their utilization on an economic level."⁹

This statement by Dunlop highlights his commitment to his original vision for the World Energy Conference and its comprehensive, international survey of the world's energy resources. For Dunlop, the World Energy Conference was only a first step toward his primary goal of a World Economic Conference. Taking his cue from Rudolf Steiner's insights (set out in Steiner's 1922 *Economics Course*¹⁰), Dunlop could envision practical steps to bring this about, but he needed someone with energy, expertise, and the ability to think new thoughts, and who shared his vision. Enter Walter Johannes Stein.

The timing, the outer urgencies, the inner necessities and the personal commitments of each of these two men converged in London between 1933 and 1935 to create a unique collaboration. Together, they planted seeds that would be essential for the awareness of an objectively grounded world economy based on mutual trust to come about.

¹ <https://www.owenbarfield.org/read-online/economics/equity-between-man-and-man/>

² D. N. Dunlop: *A Man of Our Time*. T. H. Meyer, Temple Lodge, London, 1992, p. 219.

³ Ibid.

⁴ in 1968 the name was changed to World Energy Conference, and in 1989 it became the World Energy Council (Wiki)

⁵ <https://www.cartercenter.org/resources/pdfs/pdf-archive/global2000reporttothepresident--enteringthe21stcentury-01011991.pdf>

⁶ Op. cit.

⁷ Pierre Gadonneix, www.worldenergy.org

⁸ Ibid.

⁹ Ibid. p. 220.

¹⁰ *Economics – The world as one economy*. Rudolf Steiner, New Economy Publications, Canterbury, England 2014 [1996/1922]. (CW 340) Search aeBookstore.com.

During the years after his mentor, Rudolf Steiner, died on March 30, 1925, Walter Johannes Stein, amidst many personal difficulties and challenges both professional and political, found himself needing to leave his home in Germany and find work and living accommodation elsewhere. By then, "he had made the acquaintance of the one human being whom he hoped would, despite the coming eclipse in Middle European politics, still be able to work in accordance with the necessities of economic and social life – and this in thoroughly practical terms. Rootless and desolate though he was, he took courage and sent a telegram to D. N. Dunlop. In it he simply asked his older friend, 'Can you use my services?' As he later observed, 'it was this letter that brought him to England,' completely changing his fortunes. The letter dated June 8th, 1933, was directed to an address in The Hague where Stein had been staying for some time. Dunlop's answer was as direct as Stein's question had been:

Dear Dr. Stein,

With reference to our interview, I confirm what I then told you that for some time I have been awaiting a suitable opportunity to start a Research Bureau in association with the World Power Conference for the collection of data and statistical information in relation to World Economics, with the twofold object of: (a) preparing for an International Conference, and (b) publishing, in a suitable form, conclusions arrived at based on the data and information collected.

I hope it will be possible for you to come to London at an early date, so that your services may be available in the initial stages. I do not anticipate any difficulty in receiving the necessary permission for you to come to England for this work of international importance.

I am, yours sincerely, D.N. Dunlop, Chairman¹¹

Two weeks later, Stein received a provisional residence permit and a work permit, arriving in London on June 29th. His "entry into the circle of western culture and into the milieu of a different language meant a completely new adjustment of his life." In a letter to a friend in Stuttgart, Stein described his new duties:

"I have changed over to business life. I am director and organizer of a research office of the World Power Conference, that is to say of a union of electrical engineers of 45 countries. My office is next to the British Museum... What do I do there? Well, I write letters to 107 countries and gather news about industry in order to publish it. The sort of news which tells you what is going on in the world. Thus, for instance, I study the circulation of paper money, the wholesale and retail trade prices. And by that means I can tell what is going on, where there is a blockage, where the stock accumulates, the demand dwindles, where something picks up. Or I study individual wares; let us say coffee. What the prices are, what is destroyed, whom it affects, who has to do without, how one can arrange it better. (In 1932, large amounts of coffee were destroyed in Brazil, owing to marketing difficulties.) Therefore, I study and feel the pulse of commerce. And immense London, and the Great British Empire with its resources, provides all the answers. One only has to ask. Now, where I begin, I have to learn how to put the questions..."¹²

World Survey

The monthly bulletin *World Survey* began its appearance after thorough preparation in 1935. It had the aim of "contributing towards extending the World Power Conference into the domain of World Economy..."¹³ In an article about the situation in the world copper market, Stein wrote, 'In the economic field, two forces are at war with one another, the force of national groups and the force of the world-wide economy which has not yet come into being...' Stein and Dunlop set their faith on the productive co-operation of responsible individuals, capable and willing to arrive at serviceable agreements. The interchange of international information was not a panacea, but was regarded by them as a 'very practical and directly effective measure', very well-aware of the fact that the necessary 'change must take place *within ourselves*.'"¹⁴

Daniel Dunlop acknowledged the impressive work contributed by Stein with the following words:

"Dr. Stein has proved himself to be an exceptionally conscientious investigator in connection with the economic and statistical studies and analyses published by *World Survey*. Apart from that, his international connections have proved to be of tremendous value. Dr. Stein is a hard worker and one can rely upon his enthusiastic co-operation with his colleagues..."¹⁵

But then, very unexpectedly, Daniel Dunlop died on May 30, 1935. He was 68 years old.

¹¹ *D. N. Dunlop: A Man of Our Time*. Op. cit., p. 227ff.

¹² *W. J. Stein – A Biography*. J. Tautz, Temple Lodge, London, 1990, p. 187.

¹³ *Ibid.*, pp. 197-8.

¹⁴ *Ibid.*, p. 198.

¹⁵ *Ibid.*, p. 199.

"In an obituary article for Dunlop intended for German friends Stein characterized the intentions of this personality with which he had united himself: 'The idea was to bring together not only for *technical* reasons, but also *in a human way*, economists and industrialists of all countries on a non-political basis on which, because of the freedom which it presupposes, truly valuable impulses can arise. Dunlop was the first person to invite Germany to take part in an international conference after World War I... He loved the German Spirit because he saw in it a hope for mankind.' And he loved Stein as a bearer of this Spirit. What grew out of the English-German co-operation was full of future meaning for Stein. He felt that seeds had been scattered, the fruits of which would only ripen at a future date."¹⁶

Over the next years, in the midst of much political unrest and fallout from the spreading economic disorders in the lead-up to World War II which started in 1939, Stein found himself developing important relationships with certain European leaders that would lay further groundwork and plant additional seeds for shifting consciousness to a mutually confident, fully partnered (formally known as an associative) one-world economy. He became friends with King Leopold III of Belgium and they collaborated to establish a permanent World Economic Research Council which the King announced in an open letter in 1937. Stein was also instrumental in organizing a related Research Institute for World Economy in Brussels.

The Preparers of the Preparers

On October 14th, 1936, Leopold III had given a speech announcing that, even though Belgium had previously entered the 'Great War' on the side of the West, it was now relinquishing its bond with the West and returning to a position of neutrality. He said, "The aim of this must be to keep ourselves apart from the conflicts of the neighboring states." Through his ensuing conversations with Stein, he pursued the question: "What spiritual task [could] a strictly neutral Belgium undertake in order to create a space between the opposing great powers." During their ongoing meetings, Stein introduced two key insights from Rudolf Steiner:

(1) "The 19th century theories of political economics proved incapable of controlling the complex economic processes. A full recognition of the earth as an economic entity complete within itself would be needed before one could intervene to regulate and steer the development [but] that would entail 'a deep and thorough specialized knowledge such as no branch of science or nature-study provides.'"¹⁷

(2) "The greatest difficulty, of course, was to work out concrete suggestions for producing a world market that would function. A new line of thought ... was needed to put right the economic and currency situation. 'What is at the basis of economic life ... must be sought for in the regulating forces of initiation science'¹⁸... it is particularly the economic life which is most in need of the influence of spiritual life... The salvation of future humanity depends upon that."¹⁹

Even though the world structures that emerged after World War II did not coincide with the hopes and possibilities that had surged around Walter Johannes Stein in the years leading up to it, one trusts that the seeds sown by his collaborative efforts with D. N. Dunlop, King Leopold III and others were not wasted. In 1917, Rudolf Steiner had said to Walter Stein, "We are the preparers of the preparers." 'Everything which happened in the first half of the [20th] century remains a beginning and a project; but in order to prevent a catastrophe of mankind, it will have to be carried further in the near future.'²⁰

Now What?

So now, here we are in the year 2022. Who today are "preparers of the preparers", and where are they? Whose biographies lead them to recognize the importance of tending the seeds already sown, creating similarly seminal projects and discovering what is most urgently needed nowadays to give ground to a world economy based on mutual trust? If Owen Barfield's insight into the necessity of identifying and nurturing new thought forms for recognizing and working out of the reality of a mutually confident, fully partnered one-world economy is already at work; if Daniel Dunlop's clear vision and action-focused deeds to bring the one-world economic realities into the limelight by giving engineers and technicians from many different countries opportunities to meet and talk together has had a lasting positive effect; and if Walter Johannes Stein's accomplishments in setting up systems for tracking the flow of the world's land-based resources have laid a solid foundation for factual and objective economic decision-making – now what?

¹⁶ Ibid.

¹⁷ Ibid., p. 212.

¹⁸ Referring to a scientific perception of the non-physical phenomena, such as prices, values, etc.

¹⁹ W. J. Stein – *A Biography*. Op. cit, p. 213.

²⁰ Ibid., p.221.

The Marshallian Detachment

CHB

The, or at least a, key link between Rudolf Steiner and Maynard Keynes is found in their treatments of economics and ethics. In the third of his 1922 lectures,¹ Steiner states that as a science, economics is both theoretical and practical, with theoretical meaning 'what is' and practical meaning (counter-intuitively perhaps) 'what ought to be', meaning further that ethics is a practical science.

In his authoritative biography on Keynes,² Robert Skidelsky writes that Keynes's mentor, Alfred Marshall (1842–1924), author of 'Principles of Economics',³ was certain that the collapse of theology and general loss of certainty at the end of the 19th century late Victorian England could only be remedied by economics, and providing it became scientific, for which it 'had a far greater potential ... if it was detached from moral philosophy,' i.e. economics, rather than political economy.

One can, and many do, rail against this 'mission' of Marshall, but it, like Marxism, is something one has to go through, not shun or wish it were not there. The light 'outside' has to go out if the light 'inside' – after the briefest but most real lapses of time – is to come on.

Marshall triumphed over his main rival, Henry Sedgwick (31 May 1838 – 28 August 1900), a utilitarian philosopher and economist who became Knightbridge Professor of Moral Philosophy at the University of Cambridge, and who had sought to explain the social question (the struggle between labour and capital) in terms of 'rational egotism' and 'rational benevolence'. In this way, he hoped to reconcile egotism and altruism – those two souls that dwell, alas, in every human breast (as Goethe made Faust say), whose uneasy co-existence used to be solved by the existence of god, or at least a belief in such an existence.

Entry into the world of economics and the secret it holds – of an eventually universal morality – will never be possible unless one admits that economics, and therefore every human being, has to say 'goodbye' to the bearings of yore, cut loose without any compact with deism, not knowing what lies ahead. Prior moral baggage or clothing has to be left 'outside' if one is to discover the true source of future humanity-wide moral cohesion – using one's gifts not to serve oneself, or God, or society as a generality, but the existential material needs of one's fellow human beings, so that they may live a life of what Aristotle called 'fine actions'.

Only then can the 'Marshallian Detachment' be overcome and disappear into the history behind one. Railing against it only proves Marshall's point – a point that was not his in a narrow personal sense, but belonged to and was representative of the time, namely, the 1870s, culminating 1979 in particular.

Marshall's success was Sedgwick's failure, the result of Sedgwick failing to prove to himself the existence of the soul, perhaps his own in particular. Into this void stepped mathematics and modelling (Marshall's notion of scientific economics). But this is to replace one void with another, and the only way to climb out of the second void is by embracing the logic of accounting and then using that logic as the lode star of one's actual economic behavior, both practically and theoretically.

This, in my view, is the role of what I understand by 'associative' financial literacy.

1. *Economics – the World as One Economy*. See aeBookstore.com

2. Macmillan, London 1983, 1992, 2000.

3. First published in 1890.

Rudolf Steiner and Karl Marx in Brazil

Brazil is facing elections and is riven between left and right, with some people in Brazil arguing that Rudolf Steiner was a Marxist. Others would see him as supporting the opposite view. To address this situation, on 30 August in Sao Paulo, an evening was spent in conversation with Rudolf Steiner and Karl Marx, looking in particular at the deeper aspects of their work and at how Marx of earlier years is not the same as the Marxism of his later years and his followers. Neither gentleman was present, of course, but each was reserved a seat, red as it happened, as a way of asking how they would see things post-humously, rather than hitching either to political agendas or personal biases.



It's a Great Day for Economics

Each time an important moment where associative economics contributes to our understanding of economics generally.

Marcelo Delajara / Mexico City

4: Beyond Violence, Scarcity and War

Humanity is paying dearly for the inability of today's leaders to manage economic, political and cultural relations in a world whose economy has become irreversibly global. Inability derived from blindness. Blindness that comes from a conception of society and the world that is long outdated. The current war in Ukraine could have been avoided, as I discussed in this column a few months ago before the conflict finally broke out. Domestic and international affairs could have been arranged to allow economic exchange to continue across national boundaries while issues related to the cultural freedom and the rights of Russian minorities in Ukraine were resolved.

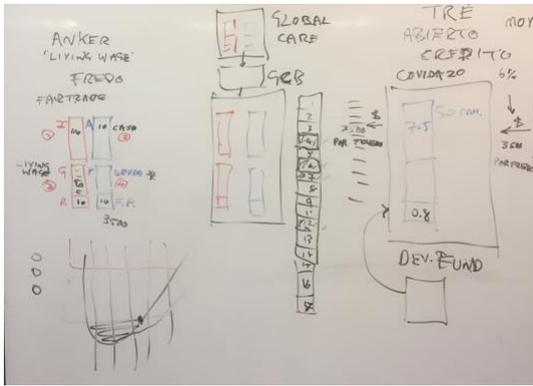
In the 173 days since the war started, however, the decisions of the parties directly and indirectly involved have followed the same logic that paved the way to war. The governments of Western countries have established insurmountable barriers to the participation of Russia and its citizens in the world economy. The Russian government has reduced or stopped the supply of gas to European countries and blockaded Ukraine's ports to stop the country's exports of basic grains to the rest of the world. These actions have generated additional hatred between Ukraine and the West, on the one hand, and Russia and its allies (especially China), on the other, thus further blinding the vision of those trying to achieve a sustainable peaceful solution.

That is not all: the economic sanctions and the blockages fueled a food and energy crisis that is pushing inflation up and above the high level to which the pandemic, and the policy responses to the pandemic, had already taken it. Consequently, central banks and governments are now using monetary, fiscal and regulatory measures to lessen the degree of scarcity and price increase at the national level, disregarding their impact on the rest of the world economy. But it's just one patch on another.

How can we stop this spiral of violence, scarcity and inflation? Is it possible to stabilize international trade relations while discussing peace between countries at war based on respect for equal rights and cultural freedom? The diplomatic stance between the United States and China in relation to Taiwan is based on a positive answer to such a question. Trade would flow as long as the United States remained silent on Taiwan's political status. Nevertheless, this balance has allowed the island to remain independent and democratic.

This is a shaky equilibrium, however. Nancy Pelosi's visit to Taiwan was probably interpreted by the Chinese government as interference in the island's internal discussion on ideology and politics motivated by US economic interests. According to the website of the Taiwanese government, 'Taiwan holds an important position in the global economy. It is a top player in the world's information and communication technology industry as well as a major supplier of goods across the industrial spectrum.' For the United States, access to these goods is crucial in order to stay out of the influence, direct or indirect, of Chinese politics and culture. This belief in turn is based on the logic that if the Taiwanese sector of the industry fell under the control of the Chinese government, it would use it as a weapon to impose its power in much of the world.

I suspect that world leaders would compromise in the fields of rights and culture if it were possible to prevent the economy from being taken hostage or used as a weapon. But all governments now have too much interference in the economic decisions of companies and entrepreneurs, which prevents companies or groups of companies and consumers from different countries from agreeing on the main problems related to production, distribution and consumption and, therefore, on their solutions. It will be especially difficult to eliminate, simultaneously and everywhere, the idea that certain economic sectors are 'strategic for the country'. Even so, this could still be the starting point in the process to achieve durable peace and prosperity for all humanity – and one that resonates with Rudolf Steiner's idea of a single global economy nested in the threefold social order.



One Enterprise at a Time

Whether project or actual business, focussing on an enterprise (of any scale or scope) that is endeavouring to address the actual conduct of economic life with the help of specific insights from Rudolf Steiner.

Several Projects at the Same Time

Christopher Houghton Budd

I recently went to Brazil to visit several colleagues whose projects exist independently of each other. What I discovered surprised and excited me, further fanning my hopes of a positive future. I have described the projects alongside each other in order that, when taken together, their generic (as also specific) relevance can be seen more clearly. There are four projects:

In-field associative financial coaching. I met with *Xavier Andrillon*, who lives in Campinas, to review the possibility of post-doctoral work designed to give effect to, or at least test in real life, the assumption of his doctorate, *Beyond Brundtland*,²¹ that accounting and bookkeeping can be used to achieve true price (per Rudolf Steiner's formula), provided access to capital on 'true price' terms is possible.

The challenge of SDGs. With *Lúcia Sígolo*, I reviewed her 'women-warriors' work²² which, as well as combining associative financial literacy with small-scale provision of credit, is required by her (external) funders to demonstrate where relevant conformity with the 17 UN Sustainability Development Goals²³ – or their modification to match associative economics.

Getting capital to where it is needed, banklessly. *Sergio Resende*, a former social development specialist, updated me on his work with Trê,²⁴ a brokerage that fosters direct lending to small-scale entrepreneurs (e.g. coffee farmers) using a P2P platform (Mova), so that lenders can set terms and rates of interest that can be flexible where needed on a day-to-day basis. Trê has also pioneered the use of a percentage of capital on a 'can be lost' basis to enable loans to be converted to gifts if need be.

Associative investors. *Daniel Havro* (see elsewhere in this issue), who lends via Trê, is someone who might be described as an associative investor. Someone who, aware of humanity's wider situation, places spare or excess funds direct with those who need them, without requiring them to be 'bankable'. If need be, his borrowers can go to the nearest bank to get the money waiting for them there.

The image (from a presentation in Quito, Ecuador on 3 September 2022) shows the projects side by side, so they can be read from either end. Starting on the left, as one provides coaching in *associative* financial literacy, the (already known) need for access to capital on the terms of the borrower is matched to the willingness of lenders to put air beneath the wings of those in need of capital (à la Youth Bonds).

One can also start on the right. Without such a use for one's capital it becomes fruitless – unless, of course, it is left in the financial markets, the 'fruits' of which are perhaps best not harvested, let alone eaten! In between, the channel for money to flow and the assessment of SDGs (or an associative version of them, e.g. the [ae-Mark](#)) and the accompanying coaching of those versed in associative finance.

I also met with *Carlos Jaime Loch*, with whom we discussed how companies in Brazil (and presumably outside Brazil) could learn to manage their businesses banklessly. After Brazil, I went to Quito for a few days to visit 'comrades in arms' in that country, where the challenges are much the same. My journey ended in Mexico City with economist, *Marcelo Delajara*, discussing how we can take further steps to bring Rudolf Steiner's contribution to today's economic problems to public attention. We did some strategizing in a famous café where Che Guevara and Fidel Castro plotted their invasion of Cuba. Judging by the look on our faces, our revolution will be a happier event!

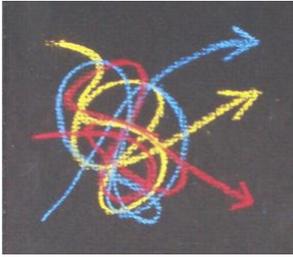


²¹ *Beyond Brundtland / True Price and Sustainability*. Available from [aeBookstore.com](#)

²² See [Women-warriors and the Work of ContBem](#).

²³ <https://sdgs.un.org/goals>.

²⁴ <https://treinvestimentos.com.br/>



Associative Financial Literacy

A regular glimpse at the associative-financial-literacy.com website

Financial Literacy and Economic Education: A Waldorf Perspective

Fionn Meier / Winterthur, Switzerland

The following is a shortened and slightly reworked text that was published this summer in the Swiss Steiner School Magazin "Schulkreis".

Rudolf Steiner about teaching economics

A look at Rudolf Steiner's lectures and considering current developments in teaching economics and financial literacy in public schools, it becomes obvious that Steiner was ahead of his time. In a lecture 1919 in Bern, for example, he states the following:

"With reference to our present and future it must be said: In earlier times we lived instinctively into economic life. Now [we] must become more and more conscious. Just as one ... learns maths in school, just as one learns other things in school, so in the future one has to learn in school those things which relate to the social organism, to economic life." Steiner, February 8, 1919, Bern (CW 193).

How far in his view this general education into economics has to go Steiner made clear just afterwards: If today someone is considered as an uneducated person because he does not know who Raphael or Leonardo is, it will be necessary in the future that someone is considered uneducated if he does not know the elementary economic concepts of capital, production, consumption and Lombard credit.

Steiner wanted to inaugurate a new pedagogy that, beside other things, would provide an understanding of the social and economic environment created by human beings. He pointed out that many social problems exist due to the failure of schools to give children a proper understanding of how the economic world works and what the transition from a national economy to a world economy means.

Concrete pedagogical suggestions

Accordingly, in Steiner's pedagogical lectures many hints and suggestions can be found as to how the understanding of economics and practical life skills can be fostered. A small selection:

"Above all, however, spiritual science will try to shape this art of education in such a way that the child, in the period from the change of teeth to puberty, will come to have an idea of practical life, taking into account all that we have said about that age and the emergence of abilities in that period of life. [...]. Around this time, or perhaps already around the 11th year of age, we will arrange the arithmetic lessons in such a way that they already contain something that all mineral, all physical, all chemical lessons should take on in character: the direction towards the practical. In arithmetic, the child should certainly get an idea of how to arrange accounts, how to address letters about business, arithmetic and other circumstances from one business to another". (Steiner, 11 May 1920, CW 301)

"One begins [in the 5th grade] in geography by [...] teaching the child soil configurations and how they are connected in economic terms for certain parts of the earth to which the child can relate." (Steiner, 6 September 1919, CW 295).

"And so the principles of grammar and the teaching of language should be introduced in these years less into the essay form which often, as it were, represents the human inner life everywhere flushed with barley gruel – for these are usually the essays which one lets children write in this 13th to 16th year, as a better infusion of the spirit that prevails in pub talk and at tea-time gossip – it should rather be ensured that language teaching enters in through business essay, business letters." (CW 294, 9 March 1919).

Ideologization of children?

The idea of introducing economics and finance in general education has also been met with skepticism and criticism in the public debate. Various people fear that this newly created subject will introduce children to an ideology.

Silja Graupe, Professor of Economics and Philosophy at the Cusanus University, Germany, for example, points out that today almost only one paradigm is taught worldwide: the neoclassical theory. This theory

is based on various assumptions, for example that everyone has relatively stable preferences and wants to maximize utility. Building on these assumptions, all economic issues are then addressed.

In upper schools, for example, this consists of first explaining the supply and demand curves. What actually is explained with this model is secondary. It can be the commodity market, the labor market, or the financial market, the explanation is always the same. However, the assumptions and ideological background of this theory (the human being as a rational, utility-maximizing person with relatively stable preferences) are usually not questioned. It is put forward as a supposedly objective fact, although it is only one possible way of looking at things. Graue therefore demands that different economic theories are taught in economic education, so that young adults learn to see through the assumptions of the various theories and thus reflect on them independently.

However, wouldn't this turn economics into a subject of the various school of thoughts, which makes sense and is suitable for university, but hardly for 14 to 16-year-old young students who want to discover today's world and conquer it for themselves? After all, isn't it possible to first give young adults a *real* knowledge about economic life, rather than a theoretical one, which can come later?

Characterizations instead of definitions

In his course for students of economics in the summer of 1922, Steiner describes how modern economics must be methodologically refounded. Briefly, this can be described as follows: Characterizations instead of definitions. Only by characterizing economic life from various points of view it become possible to come to establish true concepts of the forces at work.

If one considers Steiner's pedagogical suggestions, one can see that he never takes a theoretical but always experience-led starting points. Business letters, bookkeeping, knowledge of geographical conditions and their economic consequences, etc., are not theoretical models, but in each case convey concrete factual knowledge and practical skills. If the teaching of economics and financial literacy is based on such an approach, then children and young adults can be given an introduction into today's economic life that is free of ideological backgrounds.

A word about idealism

A further concern that may arise is that with economic education children grow up to be capable businesspeople but that their idealism may be stunted. Can't these practical things be learned later, as adults? According to Rudolf Steiner the opposite is the case:

"If one has oversaturated children with sentimental idealism in the 13th to 15th year, then they will come to despise idealism, and become materialistic people. If one introduces children to the practice of life already in these years, then they also retain a healthy relationship to the idealistic needs of the soul, which can only be extinguished if one indulges them in a nonsensical way in early youth." (Rudolf Steiner, 3.9.1919, CW 294).

The lack idealism in today's world will not be reawakened by making ethics or idealism a compulsory subject. Only when children will be able to learn the practical aspects of today's world economy, when double-entry bookkeeping, the various types of contracts, shares, banks, etc. are looked at, when the children learn how to run a business, how the factory around the corner works, etc., then a genuine search for life's deeper meaning will arise.

Review of *Associate!*

We are reviewing both the format and frequency (and also the wider distribution) of *Associate!* in order to provide a more flexible medium that allows a greater range of topics and contributors – as also a publication that 'showcases' the work of the Economics Section of the Goetheanum to the world at large. A main change will be one-page 'blog-size articles, providing a medium for short, focused insights into current economic affairs and the development of economics itself.

Readers' comments welcome!

Paths for teaching Associative Economics in Waldorf Schools

Maria Lúcia Sígolo and Camila Pannain / Sao Paulo, Brazil

'No student should reach the age of 15 without the teaching of arithmetic having introduced him or her at least to the knowledge of the highest rules of accounting.' – Rudolf Steiner - CW 292, 12th lecture.

On August 5th, we organized a meeting entitled 'Paths for teaching Associative Economics in Waldorf Schools' aimed at elementary and middle school teachers interested in researching and developing the theme. The meeting took place in person and was held at Rudolf Steiner Cultural Center, Sao Paulo, Brazil.

We had a small and participatory group, including teachers from Escola Waldorf Rudolf Steiner in São Paulo, Escola Livre Areté, administrators from the Federation of Waldorf Schools in Brazil and economists who intend to teach classes based on Rudolf Steiner's economics course, the centenary of which we are celebrating this year, in 2022.

After the initial presentations, we mentioned the lines of research of the Economics Conference, emphasizing the importance of knowledge of associative economics and double-entry bookkeeping as a basis for this path of self-discovery, as well as the importance of properly bringing this knowledge to students. Thus allowing young people to approach the subject in a non-egoistic, fraternal way, in keeping with their own economic essence.

To get in the mood, two lessons were offered to those present, similar to those offered in a financial literacy lesson:

First, we went back in time. From a historical perspective, starting from Mesopotamia to the present day, we showed an overview of humanity's experience in terms of the economic sphere and how it was related and is currently related to the legal and cultural spheres. In this way, the importance of understanding the economy in a true and broad way is highlighted, as well as how much this understanding depends on the expansion of the conscience of each one of us.

Then, we offered the participatory dynamics that shows what is money and what is capital. In this way, the characteristic of money as an element of exchange and of capital as a human capacity is clear. Afterwards, we started to observe physical paper money, which is done inside the classroom with the young people, demonstrating something practical to those present.

Despite the time being scarce, it was possible to give a quick brushstroke on the correlation of the Hibernia Mystery with the financial reports – Income Statement and the Balance Sheet of an organization – and the role of the conscious human being in the closing of the year.

After the break, we offered yet another dynamic done in class with our students, in which participants 'find' who can meet their interests or needs, or people with interests or needs who 'find' who to offer them to. Here's the exchange. It is essential to observe that to think about economics.

Finally, the participants were invited to read and reflect on three extracts from Rudolf Steiner's course on *Methodology and Didactics*, CW 294. It was a very rich moment, where we approached the moment of life of the 12-year-old. We talked about practical cases within the schools and the moment of young people finishing school. There was a lot of exchange and good references.

We feel it was just the beginning, as there is still a lot to do and build on. However, seeds were planted for a work that should have continuity and other supporters. We have a great intention and desire to repeat it.

(The flier of the event is available in English and Português.

Camila Pannain – business administrator, former micro entrepreneur as self-employed cake designer, Waldorf teacher and member of the Economics Conference of the Goetheanum.

Lúcia Sígolo – public administrator, consultant, founder of the Contbem program and member of the Economics Conference of the Goetheanum.



Towards a One-World Economy

Kim Chotzen / Viroqua, USA

One hundred years ago, from 24 July – 6 August 1922, Rudolf Steiner met with young economists¹ in Dornach for fourteen days of lectures and discourses on a modern approach to economics, which gave the world a new language to address the challenges of economic nationalism in the years following WWI. This Economics Course, whose importance today is still largely unknown even among those familiar with Steiner's work,² was celebrated recently on those same dates

by Economics Conference colleagues in gratitude to Rudolf Steiner. During the fourteen days, 43 colleagues from 14 countries around the world 'met' online for one hour each day for presentations and reflections.

In a preliminary remark, Marc Desaulles noted the following: *"We could think that this (economics) course is something that is replacing the huge effort Rudolf Steiner made at the beginning of the last century to install a threefold social order in the south of Germany at the end of the First World War, but I think this is not the case... rather, as I understand it, it is a last attempt by Rudolf Steiner to address the social question. A last effort on his part."*

Content

The presentations were varied but revealed a shared vision of a future trying to emerge within the protected 'walls' of the online meetings; the necessity to establish local groups as organs to perceive economic needs, with 'money-as-accounting' bringing circulation into these arrangements; such local groups as the beginnings of an eventual 'social brain'³; personal credit, not collateral, frees human creativity; esoteric and Christological aspects of economic life; women teaching women-entrepreneurs associative financial literacy in impoverished districts of Brazil; wages becoming linked to workers' humanity rather than the self-interest of 'making a living'; financing the future with youth bonds along with teaching youth financial literacy; blockchain technology in a one-world economy; from Fionn Meier, the 'Clearing Principle' rather than the 'Liquidity Principle': money understood as a reflection of the exchange of human values rather than as a commodity; Daniel Dunlop as the first to create a true association: the World Power Conference (now World Energy Council) as an organ to perceive the world's energy needs; the role of the West and Anglo-American hegemony at its end; possibilities of associative economics taking hold there, as seen through the perspective of 'brothers in economy', Maynard Keynes and Rudolf Steiner.⁴

Some important 'take-aways'

The future is in the hands of every individual. We can either use money to free or enslave one another.

True price can only be operative if every person solely serves others' needs, asking: Whom do I serve today and how? Today's 'do-it-yourself' phenomenon works against this principle.

Entrepreneur incubators, conventionally described as 'program accelerators', can be used to accompany developing associative businesses using 'money-as-bookkeeping'.

Create Youth Bonds! And develop associative financial literacy for schools.

Pay attention to the centennial of the World Energy Council, established by Daniel Dunlop, which will take place in 2024.

While the Economics Conference has steered away from the growing use of (Zoom) media for meeting, this 'gathering' was specially organized to use technology in a sparing way to avoid distractions and interruptions. Once the doors were 'closed' at the appointed hour, a protected space seemed possible in which one could feel the future being born amongst us all around the globe.

We noted that taking Steiner's Economics Course seriously was a firm step in itself, a step taken to thank him for giving humanity a beginning possibility to overcome egotism in economic life; to live the principle that I am my brothers' and sisters' keeper. And, as Daniel Osmer eloquently put it, "whenever two or more are gathered in an economic exchange, a dual surplus arises in the form of capital." Such thoughts can be as tiny calming drops in a sea of angry waves in a crashing storm.

¹ The names of those in attendance are listed in the proceedings, currently being readied for publication.

² Who it could be said have the responsibility to wake up to Steiner's economics if one expects the world to.

³ An idea first mooted by Marc Desaulles in Canterbury, England, in the 2002 *Figure Your Path* seminar. (30th April!)

⁴ This is an allusion to a new book on *Steiner, Keynes and Dunlop*, published by aeBookstore.com

Commentary + Correspondence

Despite the generally unassociative nature of modern existence, instances of little shoots can be discerned appearing despite the weight and depth of concrete all about them. Tender growths that might become tomorrow's favoured plants...

Argentine Update

Mauricio Garay / Mendoza, Argentina

Argentina Economic Group

On the 19–21 August 2022, three working days of the Argentine Economics Group were held in Villa General Belgrano, Córdoba. The objective of these workshops was to review the state of understanding of economic, management and accounting practices in the enterprises of each of the professionals attending, in the light of the material of Rudolf Steiner's *Economics Course* and the available bibliography of the Economics Conference of the Goetheanum. Common practices in different firms such as schools, agricultural and service companies were shared. During the working days, several technical topics were discussed, such as accounting, the threefold nature of the social organism and the economic process, among others. In addition, Natalia Conti shared essential points on the transformation of capitalism and Mauricio Garay gave an open lecture to friends of the group, called 'Economics as a force for social transformation'. The meeting ended with a sharing session, coordinated by Alejandro Urtizberea, and planning for next steps.

Argentine Meeting of Young Entrepreneurs

On the 8–11 September, an Argentine meeting of young entrepreneurs will take place in Mercedes, Buenos Aires. It has been organised and sponsored by Las Ondinas Pampeanas S.A., Asociacion Civil Juan Bautista and Creative PMO S.A. During the meeting, young people between 15 and 21 years old will receive training in the basics of associative economics, accounting and project management. With this knowledge, each attendee will participate in an entrepreneurship experience where he/she will have to present his/her project, which will be capitalised and executed in the context of Las Ondinas Pampeanas S.A. In order to achieve 'realism' in the implementation of the project, young tutors attending previous courses on economics will take on the role of different suppliers. At the end of the project, each participant will have to present the accounting results of their project. The meeting is expected to end with a commitment to continue the development of associative economics and project management.

Brazil in the Image of Keynes²⁵

Daniel Havro da Silva / Curitiba, Brazil

In his work *De Vulgari Eloquentia* (1302–1305), Dante Alighieri describes, in the form of an allegory about the construction of the Tower of Babel, the hypothesis that the differentiation of human language was not just a divine punishment, but a consequence of the division and specialization of labor. For the author, the search for reaching the heavens through technology would have required a tower so high and complex that engineers, stone carriers, painters, etc., began to speak each one in their own language.

Curiously, the text states that the more elaborate the task, the more rudimentary the language that fell to each group. And these professional categories would have gradually given rise to tribes and peoples separated by language and customs. For Dante, this situation led to the need for the creation of grammar in order to avoid an even greater division.

Dr. Houghton Budd brings a similar hypothesis to the current world economy, but perhaps in the opposite direction. That there may be a way of thinking and acting micro- and macro-economically that emancipates each individual or people, with their capacities and talents, from the external and internal circumstances that prevent them from finding their own light, their own place in the renewed division of labour of a single world economy. At the same time, he suggests accounting as the foundation, common language and guiding tool for such auspices.

This publication on the occasion of the 200th anniversary of the symbolic declaration of independence of Brazil is an invitation to a structural, historical and epistemological analysis that may bring relevant reflections to the situation we experience as Brazilian people. 'The Cry of Ipiranga'¹ was not given in the midst of parties and dances by a people who follow their own path, for it marked instead the transition from Portuguese colonial control to British rule via the balance of payments. And perhaps it is still this cry of national self-affirmation that prevents us from listening to our true music and dancing.



²⁵ *The introduction to 'The People who Dance', available here in [Portuguese](#) and [English](#).*