

**Reflections on a new approach for an economics main lesson for
the twelfth grade class at a Waldorf School**

By Atta Turck
August 2005

Introduction

I received my first impulse to think about what an economics main lesson at a Waldorf high school should look like, when I observed as a visiting teacher almost the entire main lesson block in economics, taught to the senior class at a Waldorf high school. The emphasis of the main lesson was on globalization. The teacher presented his material in a lively and engaging way, and he was well received by the students. The gesture of teaching was predominantly lecture, although there was opportunity for discussion. Every lesson was accompanied by a large amount of copied handouts. These consisted of some basic information from textbooks, but mostly publicly available material from specialized magazines, news services, recent research, or government publications. No main lesson book was required. There were two short take-home quizzes with essay questions. Each student had to present a summary of one of the handouts during class and to write a longer paper to be handed in by the end of the block.

Very soon the basic challenge for the teacher became clear to me: How to create, in twenty-seven hours, an understanding of something as complex as global economy in students with very little knowledge of economic concepts and very limited consciousness of economic processes?

The teacher tried to meet this challenge by characterizing in broad strokes three epochs of the economic development within the last two hundred and fifty years. The first epoch was dominated by the British Empire, in industrial production, in world trade, and in creating a theoretical framework for a scientific understanding; the second was dominated by the USA, where cutting edge industrial production methods were developed, American made goods flooded the world market, and the American dollar became a defining element of the world monetary system; the third epoch is our contemporary development, often characterized as globalization, where all established economic procedures and structures are in the process of being redefined, powers are shifting, and theoretical understanding needs to be newly created. The teacher tried at the same time to open a view onto the historical development of the world economy and the historical development of its scientific reflection in economic theory.

The last week of the class was spent with many concrete examples of Global Economy. As the character of Global Economy is, many of these examples were disturbing for the students, as they showed social injustice, exploitation, disregard for human rights, overwhelming power of uncontrolled transnational conglomerates, serious breaches of democratic principles, dissolution of ethics in business, corruption in politics, and so on. As the last classes unfolded, discussions became more lively, questions became urgent, students were engaged. The student's compassion was touched, their sense of responsibility awakened. But there were no answers to the questions of: "what can we do to make it better?" There were few marginal examples of what has been done in the world to counteract the devastating effects of globalization. There was no time left for the students to seriously consider these questions themselves. There were no new ideas, ideals, values, programs, or movements presented for the students to work with to validate their feelings. There was no one to show them that everywhere in the world are people working hard and with justified optimism to turn this economic ship around to where human industriousness serves all of humanity in a healthy way. Instead, a sense of powerlessness and hopelessness prevailed in the classroom as the

course ended. I saw the students turn to cynicism and joking, as they left the last class and I felt bad for them.

Out of this experience the following questions unfolded for me:

- 1- What and how can we teach about the economic world?
- 2- Which qualities do each of us, students and teachers, need to develop for a healthy learning process?
- 3- How can we empower the students to go out into the world and make it more livable?

And these, I think, are the main questions that need to be answered, in determining the teaching goals, the methods of teaching, and the content of an economics main lesson block in the Waldorf School. In the following paper I will make a first step in this direction.

Market economics, a crisis in social consciousness, and Steiner's new paradigm for the social organism

As World War I came to an end and social unrest in Russia grew, Rudolf Steiner more and more felt the need to comment on social questions. In his lectures and written work from 1918 on for several years we find him frequently developing overviews and details of a picture of a better society. This picture took on the name of the "Threefold Social Order". In it "*Society was described as consisting of three spheres: culture, law (right-state), and the economy. Each of these spheres has its own inherent dynamic and should be relatively autonomous. While each of these spheres profoundly affects the others, it is only when each one is established on its own basis, with its own administration, that they can properly relate to each other.*"¹ This concept of the threefold society was developed in contrast to the dominating system in Western Europe and North America of societies penetrated and ruled by the laws of the market. Going back to Adam Smith's groundbreaking book *The Wealth of Nations*, economic theory saw the ideal economy as moved by the forces of self interest alone, each individual competing with every other individual for the greatest advantage, the most profit or the best wage. In Smith's vision, this system did not break down in anarchy, because of the "Invisible Hand" of the market, the interweaving of the powerful forces of self interest and striving for profit that always led to equilibrium, allowing only temporary imbalances and oscillations. This was the dominating view of economic life. Together with Thomas Malthus' theories about population growth, population numbers regulating themselves in waves of overpopulation and starvation to sustainable levels, and Darwin's theory of the "survival of the fittest" in a "dog eats dog" world, it formed the tough picture of a world in which egoism is a necessary virtue and "natural" survival strategy.² Since this was general belief not only in circles of economists, Rudolf Steiner often found himself asked in his lectures what, in his view, could replace egoism in society without leading to a total collapse of economic life. In

¹ Gary Lamb, *Overcoming Self-Interest in Social Life: Part II*, www.socialrenewal.com

² Footnote: For a discussion of the underlying value systems of market economy, state-socialism, and associative economy, see: Udo Herrmannstorfer, *Schein-Marktwirtschaft*, Hamburg, 1998, chapter 3. The title means translated: Fake market-economy.

an article in the weekly newspaper: *Dreigliederung des sozialen Organismus*³ he answers such a question in the following way:

*“The threefold social order recognizes that at the present stage of human evolution, the economic sphere must limit itself exclusively to economic processes. The administration of such an economic order will be able, through its various organs, to determine the extent of consumers’ needs, how the products may be best brought to the consumers, and the extent to which various articles should be produced. However, it will have no way of calling forth the will to produce; neither will it be in a position to cultivate the individual abilities that are the vital source of the economic process. Under the old economic system that still survives, people cultivated these abilities hoping they would bring personal profit. It would be a dire mistake to believe that the mere command of an administrative body overseeing **only** the economy could arouse the desire to develop men’s individual abilities, or to believe that such command would have power enough to induce them to put their will into their work. The threefold social order seeks to prevent people from making this mistake. It aims at establishing within the independent, self-sustaining cultural life a realm where one learns to see what each single piece of work means for the combined fabric of the social order, to see it in such a light that one will learn to **love** it because of its value for the whole. It aims at creating in this free life of the spirit the profounder principles that can replace the motive for personal gain. Only in a free spiritual life can a love for the human social order spring up that is comparable to the love an artist has for the creation of his works. ... Anyone who doubts that men and women are capable of being brought to this kind of love is unaware that it is dependence of spiritual and cultural life upon the state and the economy that creates desire for personal profit – this desire for profit is **not** a fundamental aspect of human nature.And just as the free spiritual life will create the impulses for creating individual ability, the democratically ordered life of the legal sphere will provide the impulses for the will to work. Real relationships will grow up between people united in a social organism where each adult has a voice in government and is co-equal with every other adult: it is relationships such as these that are able to enkindle the will to work ‘for the community’. One must reflect that a truly communal feeling can grow only from such relationships, and that from this feeling, the will to work will grow. For in actual practice the consequence of such a state founded on democratic rights will be that each human being will take his place with vitality and full consciousness in the common field of work. Each will know what he or she is working for; and each will want to work within the working community of which he knows himself a member **through his will.**”*

I think that in these remarks Steiner has developed, in a nutshell, the fundamental principles necessary for finding an answer to our questions above. To make this transparent, we will now analyze the underlying ideas.

In his book *Towards Social Renewal*,⁴ Rudolf Steiner takes up the same argument that egoism cannot be replaced as a driving force in society. This time Steiner approaches the question a little differently and connects it with education. He says: Today’s “*conditions call urgently for the development of some other motivation for the actuation of individual abilities. This motivation will have to be found in the **social understanding** which issues from a healthy spiritual life. With the strength of free spiritual life the schools, education, will equip the*

³ *Dreigliederung des sozialen Organismus* (Stuttgart 1. Jg. 1919/20, translated in: *The Renewal of the Social Organism*, Hudson, NY 1985, P. 81-83)

⁴ Rudolf Steiner: *Towards Social Renewal*, Bristol 1977, translated by F.T. Smith (TSR), p.87

individual with impulses which, by virtue of this inherent understanding, will enable him to put his personal abilities into practice.”

Since I believe this remark of Rudolf Steiner is extremely important for us in finding the right answer to our three questions, I would like to offer my own translation of the same passage to contribute to a better understanding.⁵

Today’s “*conditions push towards the development of a different moving force for the activation of individual abilities. This moving force will have to exist in the **social comprehension** which flows from a healthy spiritual life. Out of the power of the free spiritual life education, the school, will equip the human being with impulses which will lead him, out of the in-him-living comprehension, to manifest what his individual abilities push him to do.*”

To develop a better understanding of the significance of this remark for our task, I would like to create a picture of the background on which it was made.

When Rudolf Steiner wrote *Towards Social Renewal* in 1919 he was convinced that the current state of affairs in Europe, and in particular in Germany, was such that larger social reorganizations were imminent. Capitalism with the profit motive as the driving force, penetrating all areas of social life for more than a century, had led to social tensions, unrest, and a political climate that was asking for change. He was hopeful that the building of a new society answering the real need of people was possible. He saw, inherent in the conditions of the world, a momentum towards a new paradigm and in his view the world was open for a paradigm shift. For Steiner **Social Comprehension**, filled out in the way he described it in our first quote, was able to supplant the profit motive as the driving force for social evolution.

This would allow for an expression of the three central forces in human life:

love/brotherhood, freedom, and equality. To make this possible the social organism needed to be reformed in a threefold way.⁶ Steiner thought of this motive as already deeply rooted in every human being as an archetype. Yet it was covered up by history. The people of Europe had already lived for almost two hundred years under the conditions of market driven societies. The dominant way of thinking had permeated every aspect of life, and it can be characterized as rational, scientific, and founded on materialism.

Much of the first chapter of *Towards Social Renewal* was dedicated to the relationship of the working-class to scientific thinking. Science had been a major force in the transformation from agrarian-based societies to industrial societies. Science had not only changed the way work was organized and production took place, it had changed the way of thinking and perceiving the world for the working people as it had completely changed their social fabric of life. The key thesis of Steiner was: while the ruling classes maintained or improved their old way of living, the working class was uprooted, materially and spiritually. The capitalists

⁵ (Footnote: After working intensely with the Bristol edition, translated by Frank Thomas Smith, and the London edition (1999), translated by Mathew Barton, I found it difficult to develop the same understanding of Steiner’s thoughts between the two and from the German text. The Bristol translation stays closer to the wording and construction of sentences in the original text, but in many crucial passages, for me, it misses the gesture of Steiner’s thoughts. The London translation takes great liberties with both the words used by Steiner and the way of writing, helping the text to become more smooth, but for the price of altering its content, sometimes significantly. While I could have drawn similar conclusions from Steiner’s thoughts pertaining to my research knowing only the Bristol edition and not the German, the London edition would not even have encouraged these conclusions and I would today have a very different picture of Rudolf Steiner’s concept of the Threefold Social Order.)

⁶ See: Rudolf Steiner, TSR, chapter three, specifically P. 86/87

could maintain their spiritual grounding throughout the development of the industrial age. The growing influence of science and its way of thinking remained exterior and not defining for the life and standing in society of the ruling classes. The working class was deprived of their old roots in communal rural traditions and living environment, deprived also of a meaningful experience in their work. Where in agriculture and the crafts each individual worker still had overseen the whole process of production, in industrial production workers were reduced to being a small wheel in a big machine. As old social structures dissolved, the reliable forms of spiritual guidance through traditions, elders, and the small church congregation fell away. The working class was left with feelings of inner emptiness and could find no meaning in the world. In this situation science and scientific thinking was offered through the ruling classes as the new credo and alternative to spiritual richness. Science permeated the production process and it gave structure to society. Science put itself into the position of explaining the world in all its expressions, but only the material was accepted as reality. *“The educated person has taken science and pigeon-holed it in a compartment of his mind, but his sentiments are determined by societal relations which do not depend on this science. The proletarian however is obliged by his circumstances to experience existence in a way which corresponds to scientific convictions. His level of knowledge may well be far removed from what the other classes call ‘scientific’; his life is nevertheless oriented by scientific ideation.”*⁷

As scientific thinking threw the working class back onto the material world in their search for meaning and fulfillment, for many the new credo became an imposed ideology, not able to fill the spiritual needs in their lives. The working-class people more and more rose to overcome this ideology and the social class they connected with it. Steiner saw rising again in the powerful social movements of his time, the original, archetypal impulses of real democracy: brotherhood, liberty, and equality which were pushing towards an appropriate manifestation in a better social system.

I believe in the year 2005 the world is in some respects in a similar situation as it was in the 1920s. With the failing of the socialist, communist, or state-capitalist experiments all over the world in the 1980s, for most western economists and politicians this meant that now it was proven that there was no viable alternative to market capitalism. They invited the newly “freed” societies to open their doors wide so the promises of prosperity and success of the free markets could enter. Between the collapse of the Soviet Union and the reconstitution of the many small societies emerging from the fractured national entities there was a window of opportunity to bring about real change. These societies could choose to eliminate the overbearing and oppressive state that made real freedom, real equality and real cooperation impossible, and replace it by social organs able to bring to life those basic human values. For this they could build on experience in cooperation and shared responsibility from their former work life. They could incorporate social attitudes and propensities that were alive but tainted by the abuse of the state. They could consciously enliven the good and positive of their old societies and only demolish the damaging and anti-social parts of it. They could connect with their grandparent’s dreams and with even older ideals of social liberation. We can see today that the forces following such a path were not strong enough. The time available to develop the general consciousness of a unique opportunity was very short. The push to cease political opportunities by many factions was strong. The shock of the sudden change interrupted the workings of a network of formerly centrally planned economies. Economic necessities asked for quick actions and offered possibilities for well connected individuals and criminals to get rich fast. The political power vacuum in many countries could not remain for long. Strong

⁷ TSR, p. 37

conflicting national movements struggled for recognition and often could not be contained or mediated. Western governments and businesses powerfully offered support and opportunities, often well disguising their ulterior motives. All of these factors together had the consequence that the reconstitution of these societies followed examples in the western world and until now, did not lead to innovative, inspiring, and visionary reforms.

In the wake the market economies of the West as we knew them have changed their face radically. With the addition of these formerly closed off parts of the world to the open market, an uncontrolled, rapid development of Global Economy as has never been seen before was set off, with qualities never observed before. This development was uncontrolled in the sense that there was no master plan, no entity in charge. Private corporate entities were the driving forces. These developments were by no means unconscious. Newly formed global organs like the WTO (World Trade Organization), were made up of politicians of the industrialized nations. They were lobbied heavily by the influential corporate world, and they took on the task to form the global economic legal structure to accompany and enhance the unfolding of the free market forces. All in the name of laissez-faire-capitalism old treaties were strengthened, like GATT (General Agreement on Tariffs and Trade; an international contract about the free trade of commodities), and new treaties were forged, like GATS (General Agreement on Trade in Services, a similar contract about services between international markets) and TRIPS (Trade Related Intellectual Property Rights, an international agreement on the treatment of property rights like patents). These treaties allowed capital to move freely between countries, producing and shipping physical commodities freely all over the world. The service industries could employ wherever they found the qualified labor force. Know-how, ideas, and knowledge, since now they were protected by international laws, could move and be utilized independent from their country of origin. This had an enormous impact on the structure and dynamics of the world economy.

Old problems with new meanings now raise so far unanswered questions for economists and politicians in the western world: mass unemployment, unmanageable domestic and foreign debts, an uncontrollable money market, eroding of the welfare conditions of the broad middle class. The former soviet controlled countries face problems of a different kind: mass migrations, collapse of their agriculture and their social security systems, extreme polarization into the have and have-nots in their societies. Third world countries see ghosts of a different era awakened again: extreme exploitation, slave labor conditions, and extreme corruption, all orchestrated by international conglomerates. These conglomerates themselves are widely free of any legal restrictions of any one country alone, and they are managed with the main goal of yielding a maximum return on investment. All of these conditions all over the world are in the process of getting more pronounced. For the first time in history the boundaries of countries are of no importance for many crucial economic processes to take place. This development is running mainly on “auto pilot”. The world’s social organism needs to take a hold of these conditions in order to consciously shape them, so they serve humanity rather than having large portions of the world serve anonymous corporations operating out of a blind goal of maximizing capital returns.⁸

⁸ See: Udo Herrmannstorfer, *Schein Marktwirtschaft*, Stuttgart 1997. See also: Hans-Peter Martin/Harald Schumann: *Die Globalisierungsfalle*, In English: *Global Trap*. NY 1997. In connection with WTO meetings in different parts of the world, one movement to raise social consciousness about the developments in the world has emerged, known in the literature under the name of “civil society”. See: Nicanor Perlas: *Shaping Globalization*,

Rudolf Steiner's advice from 1919 is still a viable option to follow today. His concept of ***Social Comprehension*** could still be an alternative to the blind forces of the market driven forward by egoism. That would mean creating a consciousness that now all peoples in the world are one large social organism. The peoples of the world would need to nurture the spiritual impulses, social structures, and processes that make this social organism healthy and alive, with all its parts developing vigorously and taking care of the planet on which we are living. In contrast to a socialist revolution, this is not achieved through agitation and mass organization, it does not involve power, violence and sudden overturning of governments. It has to develop from within each single individual, who will develop her capacities out of inner freedom and transform the world around her creatively, where she lives and works, by her actions and her being. One obvious point to start this process Steiner sees in education, given it can develop out of a free spiritual life. Then, once ***Social Comprehension*** has again become a living force within the social organism, this time out of consciousness and not the subconscious forces of tradition and communal life, it will have replaced strict self interest. Socially responsible self-fulfillment as an impulse for the unfolding of individual abilities within the boundaries of social and ecological responsibility can evolve as a new paradigm for a global society.

Social Comprehension and the Waldorf curriculum

Looking at this scenario, much of it feels clear and easily understandable except for the key phrase, *Social Comprehension*. In our quote from Steiner on page 3 we find many aspects of what it contains, but we need to approach it a little differently to make it less abstract.⁹

As we already have touched at, starting in the fifteenth century old orientations given by community life, religion, and tradition slowly lost their ability to serve their functions. They could no longer provide the guiding principals for all situations and forms of social life. The old hierarchies softened, communal structures changed, stability and predictability were supplanted by development and change. This is the time when humanity entered the age of the consciousness soul, which is characterized by the impulses of freedom and emancipation of the individual. These impulses are still active today. Individual development moves into contrast to the community and poses such questions as the relationship between freedom of the individual on the one hand and the needs of a life-supporting society and the land on which it lives on the other; meaningful and supportive cooperation in a global society on one side, and the possibility for the realization of the individual at his or her fullest on the other; equality and universal human rights here, and diversity and singularity of the individual there. At the same time as social development becomes more and more dependant on the development of the individual, society also needs the individual's ability to take responsibility for the whole.

We always find these two gestures in contrast to each other: the gesture towards the ego and the gesture towards the world. Both need to move into a balance, which is not a finite situation, but a progressive development itself. Steiner's concept of the threefold social organism, which consists of the three independent spheres of the cultural, the rights, and the economic, is an attempt to give a form that is in close alignment with core human values, and so helps us attain balance. The development towards this social organism cannot be forced and will not be sudden. It can only be gently induced by helping the human being to create the conditions in which social problems can be addressed and worked through, again and again, by themselves. Then, out of their inner freedom, community is created. To participate in this process the individual needs to develop social competence. Social competence is not a question of knowledge or skills alone, but involves the three realms of cognition, feeling, and acting as a living unity.

To make cognition, feeling, and acting in the context of social competence a little more concrete in the following I would like to give a few examples. To actively participate in

⁹ For its further exploration I would like to draw on Christoph Strawe's article *Sozialempfinden, Sozialverständnis, Sozialfähigkeit – Ihre Entwicklung in der Waldorfpädagogik*, published in the magazine *Erziehungskunst*, vol. 2 Feb. 1997 (Available on the web at: www.sozialimpulse.de) (Social sensitivity, social understanding, social ability – Their development in Waldorf pedagogy; my translation). Strawe's ideas and the material he offers, have in large part inspired the following elaboration on the meaning of this phrase of *Social Comprehension*. I will use some of his examples and follow some of his reasoning. Strawe needs to be particularly mentioned here for his excellent demonstration of the close connection between the goal of developing *Social Comprehension* and the Waldorf curriculum. His focus has been the Waldorf curriculum as far as it has been realized mainly in the German Waldorf schools. What his research shows is that Steiner's methods of teaching serve at once as a means to work towards a social renewal, and a means to help each individual realize her or his fullest potential. He shows there is no contradiction or conflict between the two.

community, the individual needs to develop the ability for a healthy judgment. Unmediated subjective opinions, vested interests, or fixed positions present a move towards the antisocial and are unhealthy. Only a “living thinking”¹⁰ that is engaged in the social world is able to develop judgment that is compatible with reality and can lead to meaningful action. The importance of this becomes clear if we think of the devastating effects of fanatic, righteous, or fundamentalist thinking in social life.

For the healthy social life the individuals also need to develop an intuitive feeling for the social. Rudolf Steiner very strongly expresses this need: *“The present historical human crisis requires that certain **sensibilities** arise in every individual, that these sensibilities be stimulated by education, i.e., the school system, as is the learning of arithmetical functions. ...A feeling must be acquired that it is unhealthy and anti-social to want to participate in this organism without such sensibilities.”*¹¹ Strawe expresses it, more concretely, like this: *“Where we first have to discuss, if injustice, intolerance, coercion, lack of freedom, egoistic profit seeking, dogmatic egalitarianism, social coldness and indifference are an evil, the social life is already sick.”*¹² We need to realize that in particular all questions of right and justice are closely related to human feelings. We have to learn to overcome prejudiced personal sympathies or antipathies to avoid the disregard of someone’s self esteem and the hurt caused by this. Since at the current stage of social development these more subtle sensitivities are no longer learned naturally, they need to be taught so they can sink into an unconscious realm, similar to a character trait.

The third part of social competence lies in the realm of acting, of taking action in the world. Here again, the relationship between the self and the social needs to be mediated. In societies where self realization and self fulfillment of the individual rank high on the priority scale, social engagement or even only socially conscious behavior are no longer learned as fundamentally valuable. Working or living together are no longer skills we grow into naturally, but we have to make conscious efforts to learn them. The abundance of trainings for team work, for group problem solving, group forming, communication in groups, but also of therapies that deal with all kinds of relationship problems speak to the truth of this. At a time where the media allow us to lead a more or less encapsulated life, the ability for communication needs to be consciously developed, if we think of shaping our social life. Today we need to acquire the ability for true communication.¹³ We need to learn to listen, to follow the other with thought, feeling, and active engagement to break through the barriers of the private anonymous life that the structures and leading trends of our societies allow us or guide us to live in. If we see in our children lack of motivation and we find entitlement mentality, we need to help them develop their will, strengthen their initiative, and to support their ability to take responsibility. Only in this way will they learn social capability as the active part of social competence.

Following this train of thought, we can say that the role of education today needs to be to teach our youth the art of socially responsible self fulfillment. While for a Waldorf school this

¹⁰ The expression “living thinking” will become clear on the next few pages.

¹¹ TSR, p.57

¹² Strawe, SSSWP, p. 3, my translation

¹³ See; Rudolf Steiner, in EduFC, p. 45

might only mean a minor shift in consciousness,¹⁴ for public education it may mean a total paradigm shift.

Christoph Strawe follows the development of social competence as it is supported in the Waldorf curriculum through all the grades. For our purposes, I only want to look at the 12th grade curriculum, and as far as it is connected with economics.

We know that the founding of the first Waldorf School in Stuttgart picked up one of the early strong impulses of Rudolf Steiner to work towards a threefolding of society. Parallel to the founding of the school Rudolf Steiner wrote his main text *Towards Social Renewal* and went onto an intense campaign of public and private lectures throughout Europe to unfold his vision and make transparent and give life to what we discuss here as the concept of ***Social Comprehension***. During the following years Steiner gave many lectures that dealt with economic issues, and he gave many examples of a different economic approach. He even gave a whole lecture cycle and seminar about just economics.¹⁵ But, interestingly enough, although Steiner has stressed the importance of developing interest and understanding of economic questions in the students again and again, there are no clear guidelines from him nor are there established curriculum plans until today that give a clear idea of how to transform the obvious necessities into a practical classroom activity. Practical hints refer to visits of operating industrial companies as part of the 11th grade technology main lesson,¹⁶ and to practica or internships in business and commerce. But nowhere do we find the exploration of the economic workings of the world, as part of an attempt to understand the larger social organism in which we live, explicitly laid out for teaching purposes in the Waldorf School. In the day to day life of teaching at many Waldorf schools world wide economics enters the school at two times: in the sixth grade curriculum and in a twelfth grade main lesson block. While the sixth grade main lesson gives the students some basic understanding of economics through history and simple economic transactions, the age of the students does not allow them to fully penetrate this picture mentally. In the twelfth grade, the students would be ready to appreciate the full depth of an exploration of the economic aspects of the world. But we do not allocate the appropriate amount of time for a subject as important and fundamental as economics, nor are we well enough prepared to offer them a lesson that has been all thought through from the background of spiritual science. This is a work that still needs to be done, in particular in a world that becomes dominated by economic forces more universally every day. This is where I see the place of this, my current research: to draw, on the background of spiritual science, attention to economics as an important teaching subject.

¹⁴ Strawe's analysis of the Waldorf curriculum speaks clearly for this.

¹⁵ Rudolf Steiner World Economy, 14 lectures, given to college students of economics in Dornach, summer 1922

¹⁶ Steiner talks on many occasions about the importance of understanding the technology that surrounds us.

Traditional economics – or threefold social order?

I do not want to speculate about the reasons for the obvious lack of emphasis on a vital part of our world in the curriculum. There are a few factors, though, that make this question more delicate than it first seems. Rudolf Steiner strongly discouraged the teaching of spiritual science as a subject in the Waldorf School. He only favored answering questions about Anthroposophy as they arose in students in the 12th grade. Naturally, answering questions would not amount to a basic training in the ways of thinking of spiritual science, but just serve the purpose of respectfully answering the needs of the curious and exploring minds of the students. Steiner's approach to economic thinking, however, as far as he developed it in the above mentioned writings and lectures, relies heavily on an understanding of basic principles of spiritual science and would be completely mysterious without the grounding in Anthroposophy. Unless we also want to lay the foundations in teaching some of the essentials of spiritual science, this makes it very difficult to teach Steiner's views on economics within the context of a threefold order of the social organism. We should consider that Rudolf Steiner's World Economy lectures and seminars took place in about the same amount of time as an average high school main lesson takes place. The class was taught to college students of economics, who were also interested in anthroposophy. Yet three times during the lectures Rudolf Steiner feels the need to set into perspective the goals possible to attain in such a class: *"Perhaps, ladies and gentlemen, you will say that this is hard to follow. It is. I am only sorry that we cannot go on for months detailing instances where we can see that the facts are as I have stated, This, however, should really be our task. All that can be said in the present lectures should be taken as a basis for further researches in Economics. In the brief period of a fortnight, only hints and suggestions can be given"*.¹⁷ Or later: *"I ought, of course, to be able to go on elaborating these things for many weeks, and then you would see how well they fit in with a sound economy."*¹⁸ And at the end of the last lecture again: *"Well it has not been possible, ladies and gentlemen, within this fortnight to give you more than a few stimulating suggestions to guide you on your way. Nevertheless, as I well know, these are the suggestions which need to be developed in every possible direction. And I know that the most important thing of all is that you should perceive now, compared with the usual ideas, the ideal pictures we have here evolved do represent something living. If you have absorbed that which is living in these ideal pictures, you will not have spent these fourteen days here in vain."*¹⁹ To me this suggests that Rudolf Steiner is very aware of the fragmentary character of the different approach to economics which he has taught in this class and that it is of great importance to him that the students can take home the gesture of his teaching as the main treasure. This then will allow them to continue their own personal research in this new direction.

In summary to this point: it does not seem a viable choice for teaching a twelfth grade economics main lesson to try to emulate an economics class like the one Rudolf Steiner taught in 1922. Should we open a window to a possible world of economics for the students within a social organism that has been consciously and cooperatively organized in a threefold way? Should we paint a picture of a social organism guided by love/brotherhood, freedom, and equality? Yes, for sure, but not in an explicit manner of teaching a different "economic model". We need to start by strengthening social competence in our students, working on the

¹⁷ WE, p. 155, lecture 12

¹⁸ WE, p.175, lecture 14

¹⁹ WE, p. 185

subject of economics, helping them to connect with this aspect of the world on all three levels, the thinking, the feeling, and the will.

Let us look at the other factor that makes it delicate to decide on how to teach economics in the high school. On the other side of teaching an anthroposophical view, a threefold concept of economics, stands traditional economic teaching. From its methods, its philosophic foundations, its history, and its applications, is so involved and interwoven with the world it tries to describe, explain, and explore, that it is not well suited as a base for a teaching that has the goal to transform and renew. Many times in his lectures Rudolf Steiner is very critical about traditional economic science. He often uses harsh words portraying its methods as unfit to explore their subject, or its conclusions as short sighted or simply untrue.²⁰ At the same time, in spite of his often radically different ideas and interpretations in many subjects, he mostly asked his audience to appreciate the results of science, also the science of economics, in a self-conscious and discriminatory way. At the beginning of his last lecture in the World Economics series Rudolf Steiner states: *"You will have seen that the main object of our present studies was to find concepts, or rather pictures, of the economic life, such as would help us actually to get inside it. In no one of the activities which are now being pursued in the Anthroposophical Movement – and in which I have myself been taking part – is it my opinion that all the existing scientific results should be simply flouted? On the contrary, I am convinced that there is a wide range of very useful results in the existing sciences. Only, the method of treatment, both in Natural Science and in the other branches of knowledge, needs to be developed in some essential respects. Thus in the main I have tried to give you pictorial concepts, ideal pictures, to aid you in making proper use of the wide range of valuable material which is already there in Economic Science. For this reason I have given you such pictures as could really live. A living thing, you may be sure, is always many sided and contains many meanings. ... Life will not endure dogmatic theories."*²¹ Rudolf Steiner says later: **"What matters is that we should be brought on the path of these living concepts."**²² Because this brings us to the solution of our dilemma of how to teach economics in the high school, let me add two other remarks of Rudolf Steiner where he follows the same train of thought, but expresses it a little differently. *"In short, a living thing may realize itself in a variety of ways. By the act of grasping it livingly, you give it the possibility to realize itself in the most varied ways, just as a living human being can use his ability in various ways. This is the essence of a non dogmatic concept. To make such concepts your own, especially in Economics, is to see how well these things enter into real life. Only on this foundation will you be able to make proper use of what is given in the so-called economic science of today out of quite good but only partial observations."*²³ Or: *"Quite apart from whether one or other of you may agree with particular parts of our exposition, the endeavor has been throughout to make our concepts living. If they are living, then, in the event, they will show of their own accord how they need to be modified."*²⁴

As Waldorf teachers this leads us to the task of using the insights and methods of spiritual science to teach economics in the same way as we teach many other subjects, that is, to focus on how can we best remove the obstacles for our students to gain understanding of the subject

²⁰EduFC, p. 22, or p. 44; WE. p.21, lecture 1, or p. 135, lecture 10)

²¹ WE, p. 173

²² WE, p.175

²³ ibid.

²⁴ ibid.

relying on their own power. In the context of this paper, for example, that means we focus on the development of *Social Comprehension* rather than developing in depth fundamental economic categories like labor, capital, commodity, value, or money in a way that would be completely different from traditional economic science. I do not mean to say here that any other approach could not be right. At this point of my research into the teaching of economics in the Waldorf high school in North America it just seems more appropriate to take the above characterized approach. My exploration of the other main alternative, which is being developed and practiced by proponents of “Associative Economics”, leads me to believe that it still needs more research and actual classroom experience in order to be used successfully in a twelfth grade main lesson curriculum. At this time, I can see this approach, though, being perfectly appropriate for the training of teachers.

At this point we should take account of how well we are doing finding answers to the three questions we asked in the beginning. These questions can be characterized as: 1. What and how do we teach about the economic world? 2. Which qualities do we need to develop for a healthy learning process? 3. How do we empower the students?

One result we tentatively reached above was that traditional economic theory contains elements that can help us laying the groundwork for an understanding of the ideas forming Rudolf Steiner’s threefold view of the social organism. Since we want to work towards *Social Comprehension* we need to carefully use traditional economic theory to look at real economic processes and situations, then analyze and understand these processes and situations by sensing a relevance and relationship to the elements of the ideal in Steiner’s threefold view. Steiner’s own indications above show clearly that much of our success will depend on the way we teach.

In the teaching of traditional school economics (and with this I mean how economics was taught for the last 150 years in cultural institutions like universities, trade schools, or vocational trainings) one always looked at a simplified picture of an economy, a model, following streams of goods, values, or money. All that was needed were sets of rules and definitions to make the model perform. The model was thought of as an abstraction of the real economy, and to improve shortfalls in the similarity between the two, rules were made more complex and definitions more precise.²⁵ Theoretical economics was thought of as a science quite similar to a natural science. Out of this understanding the rules were sometimes called laws, and the models often took on the character of entities with their own life, thought to represent the processes in the real world so closely, that it was often easier to just look at the models to understand the real world, than to look at the real world itself. The mechanical ways of thinking that expressed themselves in these models shaped the thinking of people, created their own language, and their own reality. One might think of this in a similar if less dramatic way as one would see science and engineering shaping the world in the aftermath of the industrial revolution. But at the same time theoretical economics always follows real events with a certain time lag²⁶ in its reflection and thus always gives only a picture of the past. At the same time the theories are not dynamic in character and rather inflexible in dealing with unpredictable change. Statistics and probability have to fill the gaps. On this

²⁵ As a consequence, today one can study economics and at an advanced stage work by only mentally moving around in mathematical models of a highly complex nature. While the models contain so many variables and statistical contingencies or probabilities that only the newest computer technology allows research with them, the underlying ideas have scarcely become richer in content. The underlying picture of the human being or of the economic realities of the world have barely changed.

²⁶ Even Rudolf Steiner remarks on this in his first lecture of WE several times

background it is ironic that these same theories generate predictions of the future that shape economic policies, through which decisions are made to influence future developments. In conclusion: already after only superficial examination, traditional economic teaching does not appear to be suited for developing *Social Comprehension*.

This picture presents several difficulties for the teaching of economics in a Waldorf school. On the one hand it seems necessary to use the common terminology to describe and explain economic processes to the students. They will need a certain basic understanding of economic history and the ability to form a picture of the current economic situation in the world. For this they need to learn to read and understand economic publications, newspaper articles, or other texts that deal with economic content. On the other hand, the common economic language represents a specific, limited way of thinking that right from the beginning also limits the scope of perception. Moreover, the economic models students need to know in their outlines in order to follow any current economic discussion, though an inadequate tool to understand the economic processes, form powerful habits of thinking that make it difficult to switch to a different paradigm.

If we want to help the students to develop *Social Comprehension*, in particular in the teaching of economics, we need to help them to be aware of the human dimension in our subject all the time. Where school economics covers only the cognitive element, we need to bring in the emotional and the active elements. It is amazing, if one looks at theories and models of school economics, how devoid of human beings they are. Human beings appear only at the fringes and in abstractions, as production, as propensities, as needs, and as consumption. The human being appears as an input factor, in many models not more than a suffix or a number. To fill this void we can talk about human striving, adventurism and discovery as strong motivators; we can look at the great inventors, what drove them, and what were their goals. Human suffering, the destruction of human living conditions by a liberated industrial machine, need to be discussed. We need a picture of the numerous attempts to overcome the shortcomings of the unchecked capitalist economy. What are the ideas, what are the goals, who are the people, who worked against the big stream of the unhindered capitalist development, and what did they do? This will give back the human dimension to economics. This will allow our students to connect with the abstract pictures of streams of money and goods, because they assume a human face, human ideas, human feelings, and human deeds. Out of these the basic categories of economics then can be enlivened.

After studying school economics just for a few hours one has forgotten what all of economics is about: to make sure that all life on earth is supported, now and in the future.

Now, this is not an undisputed purpose in itself, and school economists might take issue with it. This is why the topic: "what is the purpose of economics?" needs to be an integral part of an economics class in a Waldorf school. In this context the students will learn how the human being is part of a larger system. They will see the limits of the closed system views of economic theories that focus on one country, on one sector, on human wants only. They will realize that the human being is a caretaker, and they will be able to fill out this picture and set the role of the human being in this world into perspective.

To realize these ideas, it is necessary to find the right way of teaching. First of all it makes it necessary for ourselves to find out how economic and social processes can be learned and understood, so real comprehension results.

Living picture, living imagination, living concept

In his lecture cycle: Education as a Force for Social Change, in the third lecture,²⁷ Rudolf Steiner gives us a way of approaching this question of how to teach economics in a Waldorf school from a slightly different perspective. Although his main question is not exactly the same, Rudolf Steiner offers us very helpful insights into the “how” of teaching and into the differences between mainstream economics and the needs of a true understanding of the social organism. He elaborates here on the importance of the method of our approach for teaching economics.²⁸

Rudolf Steiner is concerned in this lecture with the question, how can we get help from economic science in reforming or restructuring the social organism? He expresses that traditional economic science does not have anything to offer in answering this question, because it has made no attempt to produce a theoretical structure that would be able to carry the economic facts. According to Steiner, traditional economics as a science has restricted itself to observe and describe the economic process as it unfolds automatically on its own. But, so Steiner says, people have lost the ability to properly observe, because they are no longer capable of having thoughts consistent with economic facts. *“Economic events proceed almost mechanically; people do not follow them with their thoughts. As a result, observations of these thoughtless events of the world market do not result in economic principles, because our economy is practical action without theory, viewpoint, concept, or idea.”*²⁹ One could say that until now the social organism has missed the opportunity, in the form of economic science, to permeate the economic process with soul. In 1919, so Rudolf Steiner, there was a turning point in the historic development coming up, demanding from society to become conscious about the socio-economic process. He says: *„Since the necessary foundation of society is the relationships between people, you will easily understand that a particular attitude must underlie people’s goals when they want to create a socially just life.”*³⁰ This is, Steiner continues, a characteristic of the threefold social order, that there is a certain mood or attitude necessary (one has to be tuned in) between the people of a socially cohesive area on which the thriving of the social life depends. Steiner deems this utterly important, therefore he enriches this somewhat abstract characterization in the following way:

If you look at social life as an organism, the social organism, then it is easy to imagine that it needs something that permeates it, that circulates in it, that carries it in a soul-spiritual way, quite as the blood circulates in the physical body, carrying the transformed air through the body. The future society will have to transform the social organism, and people will depend on cooperative support between each other. It will be important what people talk about with each other, what concerns them. Exchanging ideas, perceptions, and feelings with each other will be important. It will be important that they do this with living concepts, imaginative concepts, that they learn again to do this out of pictures, living pictures, living imaginations.³¹ *“The future requires that we base general education upon concepts that can serve as a foundation for Imaginative thoughts, not just upon ideas taken from science or industry. As improbable as this may seem now, in the future we will be unable to properly interact socially*

²⁷ EduFC, p. 43 ff

²⁸ Steiner gave a few hints of the same nature in his last lesson of World Economics that we quoted extensively on page 11.

²⁹ EduFC, P.44

³⁰ Ibid.

³¹ Rudolf Steiner, EduFC, P. 45

if we do not teach people Imaginative concepts.”³² These cannot be any scientific concepts, like cause and effect, force, material etc., they cannot be abstractions. Although these concepts permeate everything today, we cannot rely on them in any social undertaking. “*In the future, we must learn to understand the world in pictures.*”³³ To exemplify what he means by living picture, Steiner offers as an example how one would explain immortality of the spirit to a child in a living picture. One could choose the transformation of the worm into a butterfly as the picture. One could talk quite vividly about the worm that spins its cocoon and disappears in it for a period of time. The child can form this picture with his mind’s eye, the process of the spinning of the cocoon and the rest period. Then the cocoon becomes alive again and what emerges is an animal quite different than the one which went into the cocoon. It is different, yet it also is the same. Outwardly it does not have anything to do with the worm, but in its essence it is the same creature. While one paints this picture, the child almost can experience the continuation of life and the transformation in shape. This is, you say then, how it happens, when people die. They strip off their earthly body and they reappear as a spirit in the spirit world. Thus immortality is not abstract for the child, but has life. Steiner continues with his example, saying that adults who use pictures to communicate with children about something abstract which they themselves only know as concepts, will not be successful in communicating anything the child will believe in. Steiner says that the child out of such communication will not gain a living picture and thus what has been communicated will not be true for the child. For a teacher this means she has to speak out of a living picture herself. If in our example the spirit world is an abstract concept for the teacher, maybe even one that she feels is foolish or an invention just for children, her picture will never gain life, and her children will react negatively in various ways. They know that she is not speaking out of her own truth, and the picture will be dead. For greater society it means the same thing. If we don’t communicate in living pictures there will always have to be doubts about the truthfulness of what we are saying. The world will be an insecure place giving room for doubt, fear, and suspicion.

Because of the transforming power this would have for society, and on teaching in particular, I would like to clarify this crucial distinction further, before we go on with Steiner’s thoughts. Dennis Klocek, in his article: *The oak and the square: Living Thinking and the Transformation of the Elemental Realm*,³⁴ elaborates quite clearly on the differentiation of abstract concepts and living concepts, abstract pictures and living imaginative pictures. “*Imaginative refers to the realm of the imaginal, the realm of archetypes, where ideas have being - are beings.*”³⁵ Beings are alive. He takes the example of the oak tree. He distinguishes between the singular, concrete oak tree that we can experience with our senses, and the species “oak”. “*The species ‘oak’ is a living, ideal concept that has a sense-based manifestation (the actual oak tree) linked to it. The species ‘oak’ itself is not a sensory reality.*”³⁶ This living concept, or the archetype, needs to be distinguished from the abstract concept, oak, that human beings form by looking at many specific oak trees that they determine belong all to the same species, the abstract concept oak. “*The ideal realm of living concepts or ideas has the quality of being-ness.*”³⁷ That is: life. “*The manifest or sensory*

³² Ibid.

³³ Ibid.

³⁴ Lilipoh, Issue 40, vol. 10, summer 2005

³⁵ p. 19

³⁶ Ibid.

³⁷ Ibid.

realm is dominated by death processes."³⁸ To further clarify this distinction Klocek takes the geometrical form of a square. He defines the square *"as a shape in which the four sides of the form are the same length and the four corners are all the same distance from the center. This is a concept that exists... a priori and is in a condition of eternal becoming. It is eternally living."*³⁹ I do not have to see this square and it does not have to manifest to exist as the archetypal geometric concept "square", an *"ideal pattern of activities and forces that animates all squares no matter where they are."*⁴⁰ In order to prove that this is really the living idea in the archetypal realm, I myself can manifest it, draw it, and work with it, creating a derived concept of the living concept. By my work with it I make it into a concept of my mind, it slowly transforms from the living concept into an abstraction that is no longer living. But it can be useful to me nevertheless, since I can work with it and apply the concept for analysis and construction. There is also a way to revive the concept, by going through the initial manifestation process again.⁴¹

Communication that is derived from an abstract concept, cannot lead to a living picture, thus it cannot refer to the truth. And also the opposite is valid. A living picture can only be conveyed of something that is true. We need to relate this to our context of transforming our society through ways of improving our **Social Comprehension**. If we want communication in our society to be supportive of meaningful cooperative effort, effort that improves the whole social organism, or just makes it healthy, it needs to be based on trust, and that means it has to start from the truth. Think of some of the unhealthy developments of our times: out of fear ever larger percentages of the American population live in guarded communities; more and more upper management officials are being prosecuted for property violations or criminal activity, also called white collar crime; more and more doctors can no longer afford to work in private practice because of the cost of malpractice insurance; the caseload of the courts is rising. They are all born out of egotism, the shadow side of healthy individualism, and the inability to communicate and relate out of a truthful foundation.

This is why it is so important that we learn to speak in living pictures, to create living imaginations in our heads, and use them in our social environments, particularly in education. Steiner: *„All of nature is pictorial, and we need to find our way into this imagery. If we do, then what flows into us when we grasp pictures will radiate into our hearts, souls, feelings – even into our heads, although this is the most difficult. In the social organism, we will need to speak to one another pictorially. People will need to believe in these pictures. Then economists will emerge who can speak with truth about commodity within the social organism. Commodities reflect human needs. We cannot comprehend the social value of human needs through abstract concepts. We can comprehend it only through human feeling permeated by an attitude arising from Imaginative thinking. Otherwise, we will not achieve a human society. In the social organism, you could employ people to determine needs, but if you do not at the same time educate people to think imaginatively, you will never achieve an organic social structure. ... to create a humane society, people must speak in pictures that excite the Imagination. That is what is important. People will understand commodity in a feeling manner only through an economics that understands pictures."*⁴²

³⁸ Ibid.

³⁹ Ibid.

⁴⁰ Ibid.

⁴¹ I have abbreviated Klocek's analysis severely and left out some distinctions that I did not consider essential for my specific purposes. I would recommend reading the long excerpt of Klocek's article in the appendix.

⁴² EduFC, p. 47/48

While Steiner still relates these remarks to the question how economics can be helpful to us in forming a new society, the necessities he points to seem to be much broader and more fundamental than just dealing with economics. In his use of phrases like: "*socially just life*"⁴³, "*speak with truth*"⁴⁴, "*cooperative support*"⁴⁵, the moral ground on which the new society he envisions is built appears much higher than in the existing societies. The character of the social sciences this is asking for, would be quite different from the existing. If we connect what Steiner says in this lecture with his remarks about ***Social Comprehension***, we gain an insight into the task that education takes on in any meaningful reforming of society. In its normative, moral, and forming character, also economics as a discipline changes completely. We will need to evaluate what consequences this will have for teaching economics.

Imagination, inspiration, and intuition – economics and the social organism

Now that we understand the living picture, the living imaginative concept, the living imagination, we can come back to the point where Steiner led us on to these concepts: "*We need to understand that social life in the future depends upon cooperative support between people, something done when we exchange our ideas, perceptions, and feelings. Human viewpoints are of no little importance if people want to be social beings.*"⁴⁶ Steiner talks here about basic qualities we need to develop as human beings who live in a society which must take its own affairs self-consciously into its hands and shape them to form an organism world-wide that is flexible and self supporting, and makes life worth living. He talks about an organism which is shaped in a threefold way. If we listen carefully to Steiner⁴⁷, we will hear that he does not only explain the structural elements of a healthy social organism, the relationship of these elements to each other, and some of the processes necessary to keep this organism developing healthily. He gives indications about three ways we can get insights into this organism looking at its basic concepts. According to Steiner these three basic concepts are commodity, labor, and capital. If we find the right way to comprehend these concepts, we are also developing ***Social Comprehension***.⁴⁸ "*As simple as the economic concept of commodity is, you can never fully comprehend it by normal science. You can never completely understand the concept of commodity if you do not begin with an imaginative understanding. You cannot understand the concept of labor, socially or economically, if you do not base your understanding in inspiration. You cannot define capital if you do not bring in intuitive understanding. The concept of commodities requires Imagination. The concept of labor requires Inspiration. The concept of capital requires Intuition. If these concepts are not formulated this way, only confusion results.*"⁴⁹

When we explored living picture and living concept, we saw that Steiner uses these terms with a very specific meaning within the framework of spiritual science. The same is true for the concepts of Imagination, Inspiration, and Intuition. If we want to avoid the confusion of which Steiner speaks above, we will first have to clarify for ourselves in which sense

⁴³ EduFC, p.44

⁴⁴ EduFC, p. 47

⁴⁵ EduFC, p.45

⁴⁶ EduFC, p.45

⁴⁷ For example in EduFC in his first lecture

⁴⁸ EduFC, p.22

⁴⁹ EduFC, p.23

Imagination, Inspiration, and Intuition are being used by Steiner, before we can apply them as guiding principles for the methods of teaching economics.

Rudolf Steiner unfolds the meaning of Imagination and Intuition in his epistemological book *The Philosophy of Freedom*. The meaning of Inspiration reveals itself from eclectic sources in lectures and his book on occult science.

All three concepts, Imagination, Inspiration, and Intuition describe the relationship of the human being to the world as a spiritual and physical entity. All three together form the way we gain knowledge of the world and ourselves as a part of it. They also describe at once a path and a process. In the context that Steiner uses them in his writings and lectures concerning social questions, they are directly related to the social organism. But they can be applied more universally.

When we explored Denis Klocek's explanation of the **living concept**, we saw that the living concept is the result of a process that starts with correct observation. For **correct observation** we have to free ourselves from judgments, preconceived images, or mental connections we already bring to the observation, and let the observed object "speak for itself". We perceive the outer world through our **senses**. The content of this observation, still devoid of any conceptual element, we call the **percept**. How we remember this percept is as a **mental picture**. The mental picture is a subjective representation of the percept. Steiner also calls it a perception in myself. If it results from correct observation, it is called a **living mental picture**. When we apply our thinking to this living mental picture we gain the **living concept**. With a concept already formed, Steiner also refers to the mental picture as an individualized concept that is a concept that points back to its percept. The mental picture is neither percept nor concept. It is more than the percept as it contains subjective elements of the picturing, but it is less than the concept as it cannot be communicated, being too individualized, not generalized through thought. The faculty and the process of creating mental pictures we call **Imagination**. Steiner also calls the faculty of perceiving creative ideas (archetypes) behind the phenomena Imagination.⁵⁰ Through observation of outer reality to which we apply our thinking we form concepts. This represents all of the objective reality that we can call forth in our subjective mental pictures.

But this is not the only way of human perception. If we relate a percept to our specific subjectivity, to our individual being, this will express itself in **feeling**. The difference here is that this time we do not apply our thinking to this mental picture we created, in order to gain a concept which has relevance for the outer world. Instead the feeling that results out of this relationship to our inner being, leads us back to ourselves and has relevance for our knowing of ourselves and, in a way, makes us into an individual. Where thinking relates us to the world, feeling relates us to our self. Thinking is universal in character, feeling is individual. Although the feeling life may appear more saturated with reality than the thinking life, it is only so within the individual. To become of value to the outer world, the perception related to my self (the feeling) needs to connect with a concept through thinking and become part of the universe. It is human nature to go back and forth between these two ways of perceiving, leading to the inner world and connecting with the outer world. Both ways can lead to mental pictures. The sum of all mental pictures of a person we can call **experience**. This then forms our experience gained through our senses and feelings. The crucial difference between poor/empty experience and living/rich experience, the last of which is so important to Steiner,

⁵⁰ Rudolf Steiner, *Philosophy of Freedom*, chapters 4,5,and 6

lies in observation, which is directly connected with our capacity and skill to form rich living mental pictures, with our **living Imagination**. Living imagination can be learned.

If we look at the sum-total of our living mental pictures, they appear all separate and isolated from each other. The quality and process to organize and connect these pictures we call **Inspiration**. *“Without cognition through inspiration the imaginative world would remain like writing at which we stare but which we cannot read.”*⁵¹ Inspiration transforms our experience (the sum total of individual mental pictures) into a living unity, a meaningful entity that takes on new qualities in which the whole is more than its parts. Inspiration takes place on the backdrop of our pre-birth spiritual life and individual soul development. It contains the gesture of overcoming the dual nature of the human being as a thinking being and a feeling being as it puts the individualizing feelings and the universalizing concepts into relationship with each other. Inspiration does not penetrate the individual mental pictures.

When we consciously experience an act of pure thinking alone, Steiner calls this experience **Intuition**. *“Intuition is for thinking what observation is for the percept. Intuition and observation are the sources of our knowing.”*⁵² Experience can only become of any value to a human being through Intuition. The only way to fill the single concepts and feelings to which experience is pointing with meaning is through Intuition. Intuition aimed at concepts is revealing their inner core, their inner meaning. Intuition aimed at individual feelings opens them up for the outer world and makes them meaningful there. Intuition as an act of pure thinking also enables the human being to exercise his freedom and thus to be really creative. Experience without Intuition stays empty because the mental pictures stay unrelated to concepts, and feelings remain isolated, unrelated to the world. This also means that knowing will only be complete, if the human being follows three steps in gaining knowledge. Imagination, Inspiration, and Intuition, one without the others would be empty. Imagination without Intuition leaves the human being without experience, because there are no concepts to relate to the world. Inspiration and Intuition without Imagination have no content. Abstract concepts are only relating to each other, without connection to the world.⁵³

⁵¹ Rudolf Steiner, *An Outline of Occult Science*, 3rd ed. Spring Valley, NY, 1972, P. 307

⁵² Rudolf Steiner, *Philosophie der Freiheit*, S. 95/146, my translation.

⁵³ This describes to varying degrees the situation of many of our sciences.

We will move ahead to relate this more directly to economic life by connecting commodity and Imagination, labor and Inspiration, and capital and Intuition. Let us hear Steiner again to help with the interpretation:

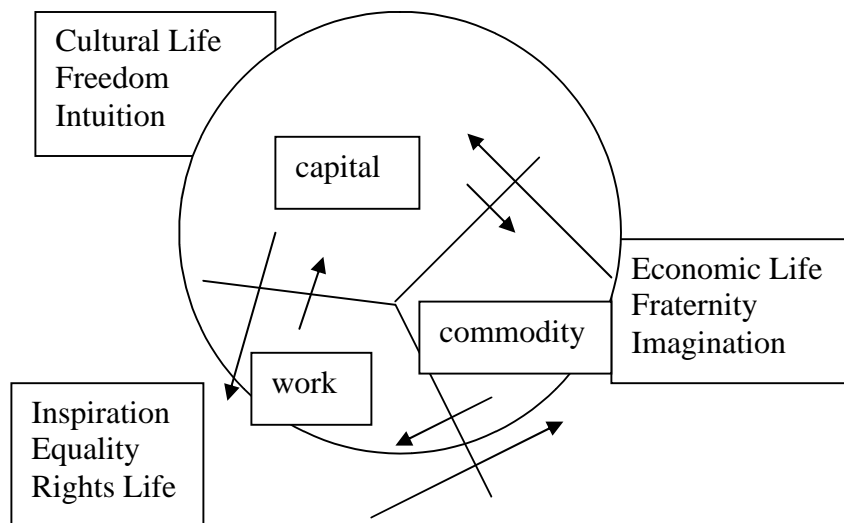
“Many people believe the idea of the social organism would stand the world on its head. Perish the thought! The world is already standing on its head, and the threefold social organism would only put it back on its feet. ... It is important to find your way to an understanding of such concepts; otherwise we will go in the direction of a mechanization of the spirit, an anesthetizing or vegetation of the soul, and an animalization or instinctive form of the body.

It is important to be convinced that we need to think in such a radical way if the future is to blossom healthily. We need to recognize the necessity of a social organism based upon three healthy realms. People will learn how Imagination is connected to commodities only if economic life is clearly defined, and we recognize the need to administer economic life with fraternity.

What inspiration means for labor – that it calls forth a desire and love for work – will exist in the world only when Inspiration permeates the concept of equality in parliaments so that equality truly prevails and individuals can validate what lies within themselves. However, that will be quite different for each person. Then, equality will prevail in the rights realm. Laws will be Inspired and not passed in the mundane fashion increasingly common to democracy.

We can properly value capital in the social organism only when Intuition rises to freedom and freedom blooms from the developing spiritual life. Then, what work needs will flow to it from spiritual life.

Streams will flow as my arrows indicate in the diagram, and the three areas of life will be so integrated that they properly permeate each other.”



54

⁵⁴ Text and drawing quoted from: Rudolf Steiner, Education as a Force for Social Change, p. 51/52

Imagination and commodity – Inspiration and work – Intuition and capital

In Steiner's analysis the exchange of commodities is at the core of the economic process. Production of these commodities occurs ruled by a conscious decision process performed by associations of informed, interested, and capable people on many different levels. The associations have in their decision making the health of the global social organism in mind, no matter how large or small their area of responsibility is. They need to be conscious of the global interweaving of all production, of the global interdependencies through the worldwide division of labor. Their decisions are made in an open and public process, with open books and freely available information. Sharing, cooperation, concern for the rest of the world, responsibility, clear bookkeeping, and transparency of all processes are some basic characteristics of the economic process as a whole. This affords a very high level of shared information about the production, distribution, and the exchange of all commodities for the whole social organism worldwide. At the same time there needs to be a high consciousness of the effects on and needs of the other two areas of society. Commodities reflect the needs of all humanity. These needs are directly connected to the life of people, to their well being, to their feeling. This is the realm of a myriad living mental pictures that make experience the basis for the work of the associations. Without inspiration they cannot be connected, without intuition they cannot be understood or creatively used. But at the core of this realm of society, the economic realm, are living pictures. This is why Steiner says the economic realm, the area concerned with commodities, can only be understood through imagination.

One big problem of today's world is that labor is being performed in exchange for money. To receive a wage or salary is the driving force for most people to work. We work to make a living. Division of labor, working conditions, and many work processes themselves often make the work itself for the worker devoid of meaning, joy, and fulfillment. The deeper reason for this lies in the fact that capitalism has made labor into another commodity. In this way the capitalist order of the world has dehumanized labor. Market rules of free competition apply. No really human criteria are taken into account. On the other hand, in reality the division of labor makes it necessary for all to work for each other. Nobody is any longer producing for herself. Everybody depends on everybody else and could actually take care of everybody else. Individual consciousness needs to be raised to the level of seeing the connections, the interdependencies, the chain reactions that each action is causing. This consciousness alone of working for each other instead of against each other in competition would give new meaning to work. Work could become fulfilling and joyful because fear and struggle would no longer be the driving forces but enthusiasm and a love to give and be validated. This is why Rudolf Steiner says inspiration needs to be fostered to understand labor. Inspiration sees and organizes the connections. It is blind to the individual differences, since it does not penetrate the individual image. This is why labor belongs into the rights realm. The only thing one laborer has in common with the next is they are equal as human beings with fundamental rights. Everything else is individual. Equality in this sense here needs to be a living concept. It needs to take into account the uniqueness of every human being in his or her potential and contribution to the whole of the social organism.

Finally, where the human being is truly human, where she develops her individuality most, and where she fulfills the potential of her inner freedom is in the realm of spiritual activity. This should be the realm for science, unfettered by economic interests, for education free of

politics and economic considerations, and for the truly free arts. This is also the realm out of which capital evolves, seen as the spiritual element, product of human thinking, that, for centuries now, organizes and reorganizes the production and distribution processes, shapes and improves the potential of human labor to transform nature into commodities for human consumption. Steiner calls this the cultural realm. Here intuition has its place, since it recognizes each human being truly for who they are. The unique contributions each can give to the social organism, if they can unfold their creative abilities, are validated. Where science is really free it can work out of moral intuition for the good of the social organism. Education can do its part working towards social comprehension. Medicine, unhindered by economic self-interest, can change towards a holistic striving for health instead of dealing with illness. The arts can bring forth soul-inspiring work born out of pure creativity when they are free of material ballast.

The following is an outline of activities and examples for teaching economics. This way of teaching serves to open up our students for Imagination, Inspiration, and Intuition and wakes up *Social Comprehension*, which is dormant in us. As we saw, in *Social Comprehension* are contained social understanding, a cognitive element; social sensitivity, a feeling element; and social ability, a practical and active element. In their awakening and rising to consciousness each of these elements will have to be digested by each of our three ways of gaining knowledge: by Imagination, Inspiration, and Intuition. We need to structure our teaching in a way that keeps thinking, feeling, and willing at different degrees always involved. We need to create multitudes of living pictures, which can touch the students intensely enough that they get involved with their feelings and thinking. This will spur their inspiration and their intuition so that they will develop active interest in the subject, and will be able to feel involved enough to then actively work on their *Social Comprehension* after the class is finished. It seems obvious from what was previously said that the four weeks of economics main lesson can only be the most conscious effort we make together with the students at the Waldorf School to really understand our role as human beings within the social organism. It can be a culminating experience in the row of twelve years, for some students up to fifteen years, of efforts to awaken them to *Social Comprehension*, but it will always only be a small segment in a long row of moves in this general direction.

And, as always in teaching at a Waldorf School, the specific content of the class and the way the teaching actually is experienced will depend as much on the class, as on the teacher. There is no formula to be found to get it exactly right, and there will be no one plan that can be used over years and years of teaching. The following overview wants to give one example of a possible structure and of topics and activities for the class on the background of our previous considerations. This overview is by no means “random”, but completely contingent on my current state of information. That way it is very limited. The overview is also developed, working closely with the teacher who will teach the class in the coming school year. This outline reflects his strengths, his interests, his passions, and his experience. **I am hoping to be able to encourage others, who work in this or similar areas, to engage in a discourse. I am hoping that together we can improve our efforts, and can learn from each other.** Working through material on globalization and at the same time trying to penetrate it with the help of spiritual science, made me aware that the work Waldorf teachers do within the global context is crucial for the future of the world our children will live in, much more than I previously knew.

Outline for an economics main lesson at the Waldorf School of Garden City

Basic structure of the four week lesson:

Main lesson starts at 8:10 AM and ends at 9:40. Often at 9:35 the advisor of the class needs five minutes with the class for day-to-day business. Fridays loose half of main lesson for high school assembly. We begin with roll call and the verse each morning. As far as possible we follow the rhythm: review/working with the material – new material – activity. Depending on the activity it may be incorporated into the 'working-with-the-material' part.

Each student will keep a 'journal', representing the 'main lesson book', which will contain class notes and material produced in or for class. Each student also needs to keep a folder for hand-outs.

Each student needs to prepare a biography of a person important for economic life for a five to ten minute presentation to the class. Students can choose from a list of people with some information on who they are and literature. The biography needs to be handed in on the Monday after the presentation, or in the last week, at the end of the block. (750 – 1000 words). Each class will have one biography presentation, some will have two.

Each student needs to write a paper on the economic story behind "the life of a commodity". Students should work in groups of three on this task. One time in the third week there should be a work session with "mini-presentations" during class to allow the groups to become more creative with input from others. A familiar object is taken apart into all its different parts, which are then traced from their origins in raw materials, the different stages of production in different countries, to their assembly, shipping to the place of sale, the final buying transaction, and consumption. The students need to find out about the social and work conditions in the different countries, maybe wages, about the ways of transportation between different places of production and sale, and as far as they are able to, about all the people who are involved in production, transportation, financing, and distribution. (2000 words) In the first week there will be a presentation by the teacher on a biography and on "the life of a commodity", so that students get an idea how this can look.

There will be two visits to a factory: one to a conventional factory, one to a socially responsible factory. Several guest speakers will be invited, depending on availability. At least one DVD will be shown. Factory visits and DVD will be accompanied by a questionnaire.

Grading: Out of a total of 100 points:

Written biography: 15; bio-presentation: 10; life-of-a-commodity paper: 25; journal: 25; factory questionnaire: 5; video questionnaire: 5; participation: 15.

First week

The first few days (classes in January 2006 will resume on a Wednesday) will form the introduction. They could contain the discussion of a provocative excerpt from “Global Trap”, the book by Martin/Schumann about how globalization, the path of the current development of our economy into the future, threatens to put 80 % of the earth’s population onto the sidelines of the economic action and thus makes them dependant on the benevolence of the other 20%, who will be the only ones with “real” jobs and who will provide for all “quality” products and services necessary. These 20% will have to be represented by states for the distribution of basic means for survival for the 80% and to enforce order, so that general chaos can be avoided. If this would be an appropriate reflection of the world’s development, how will the future look? What does it say about the relationship between people? Where do the students see themselves in this picture? How do they feel about such an outlook?

The biography of one economic figure can be presented by the teacher, for example Adam Smith, as the “father” of the economic model that bases all economic activity on free competition and sees it regulated by the “Invisible Hand”. This will serve as an example for the students to see how the biographies can be presented and how they will be used in the class. The idea behind the biographies lies in giving a human face and story to great, world-transforming ideas, to theories, inventions, or developments. The presented person appears on the background of his or her time in three ways: the political circumstances, the cultural environment and developmental streams, the economic situation. At the same time with the person, in a nutshell the ideas are presented and can be used in class to find their place in history or in relationship to the big picture.

Also in the first week the students should experience how a commodity can be followed through its life cycle, a process that takes it all over the world through different cultures, social circumstances, work conditions, pay scales, and value systems. The students will see the enormous number of people involved with each commodity, directly or indirectly, and they will understand the interdependency of all human beings. Environmental questions will come up, political questions, human rights, ethics in business, the needs of people. Rather than being accurate in the details, it is important in this exercise that the students are creative and imaginatively start thinking on a global level. They should acquire a feeling for the complexities of the interconnectedness of every detail in the life-process of their chosen product. They should get an idea of how financial considerations or currency exchange ratios can significantly alter the whole story they are about to tell. It is clear that none of these questions can be addressed in depth. But the goal of this exercise is more to raise consciousness, than to exhaust the questions. As more of these stories are presented and discussed, the student’s comprehension will grow.

Second week

The second week will already have biography presentations each day. A brief discussion will always follow in which everybody can add to the information, can ask questions, and can contribute from their own background of knowledge and feeling.

Also in the second week a discussion needs to start of what economics is and should be. A historic view needs to be developed: from agriculture and crafts to agro-business and automation. Pictures of different economic situations need to be created: peasant life; early

industrialism/sweat shops; post second world war life; today. First hand accounts, reports, pictures, photographs, literature, everything that makes the situations alive needs to be used. The students should become able to feel and understand the difference in the quality of life in these situations. They should see the different perception of human rights, the different constellation of power, the different consciousness of the people involved. The situations they hear about need to be as varied as child labor in the coal mines of 18th century England, a craft shop in Germany in the early 19th century, the English garment industry around 1850, harvest time in the late 19th century in the USA, the Great Depression in an American city, suburban life in the 1960 in America, child labor in a sweat shop in Bangladesh in the 1990s, and long-term unemployment in 2005. In class students can reenact situations out of these pictures; they can draw or paint impressions. They can write prose or poetry about the scenes. The place of labor and the working person in the economy should be discussed. This can go hand in hand with “the-life-of-a-commodity” reports and the biographies, which will touch on the question of labor in many instances.

In particular if there is a guest speaker in the second week, or a factory visit takes place then, this theme will spill over into the third week.

Third week

Starting new in the third week we will have discussions of “natural resources” and environmental consciousness. Energy depletion – exhaustion of oil and natural gas resources; alternative energies; global warming; Agribusiness versus soft technology: biodynamic agriculture; Water: a scarce resource – private commodity or human right? All of these questions can be developed out of stories from people who are affected by the issues and work with them. Into this part would belong a DVD about a large Chinese city, in which the elementary school children initiate a large effort of the population to clean up a major river flowing through this city from severe pollution. The help of thousands of people (brotherhood), minimal involvement of the central government (separate state), and the use of flow forms (cultural sphere) in this successful effort make this example particularly impressive.

Again much information from the biographies and the “life-of-a-commodity” research can flow into the discussions here. A speaker of a grass-roots civil-, or environmental-organization would be good in this theme to demonstrate how involvement closer to home makes a difference and to encourage it.

Closing

The last three or four days of the block should more and more create a counter-picture of the future social and economical development in contrast to the outlook presented on the first day. The resource and activity book *Rethinking Globalization* offers a wealth of material for intellectual, art, or practical class activities in an inspiring way. Nicanor Perlas’ book *Shaping Globalization* offers a theoretical background for a positive outlook into the future. Udo Herrmannstorfer’s book goes a step further and applies the same kind of thinking as Perlas to specific questions, like unemployment, altruism, or a different relationship to money. The goal of these last days should be to leave the students with a certain kind of unrest and desire to explore their own possibilities to shape their own future. It should leave the students with the feeling that it is very much up to them to change the course of the world for a better future and to develop the existing opportunities and create new ones.

Appendix:

Excerpt of Dennis Klocek, The Oak and the Square: Living Thinking and the Transformation of the Elemental Realm. Lillipoh, Issue 40, Volume 10, Summer 2005 (The excerpt covers about two thirds of the article.)

“ ... The human faculty of thinking, or more precisely, the human capacity for forming images, has a double character: we can form a mental image of a previous sensory experience, for example, a tree, and we can also further experience a flexible and evolving idea of ‘tree-ness’. The realm within our consciousness where we form mental images of particular trees can be called the elemental realm. The realm of the living idea of ‘tree-ness’ – the spiritual archetype of the tree – can be called the etheric realm.

Most people regard the sense perceptible tree as real and the archetypal idea as unreal. The truth, however, can only be the reverse. The archetypal idea is living – is creative – is the true source and reality of the tree. The mental image of the tree in the elemental realm is a ‘fallen’ idea and the actual sense perceptible tree is the manifest ‘corpse’ of the living idea. The elemental realm thus lies between the living etheric realm of archetypes and their sensory manifestations in nature. It is the realm of the so-called elemental beings who animate nature and permeate our thinking as mental images and abstract concepts.

In order truly to understand nature at the level of the elemental world, we need to school ourselves in the transforming of abstract, remembered concepts into living imaginative pictures. Of course the term ‘imaginative’ does not refer to hallucinatory inner pictures. Imaginative refers to the realm of the imaginal, the realm of archetypes, where ideas have being – are beings.

To illustrate this very critical distinction, we may take the species ‘oak tree’. We can go out into the world and get an example of a particular oak tree, but nowhere in the world can we go to get the species ‘oak’. The species ‘oak’ is a living, ideal concept that has a sense-based manifestation (the actual oak tree) linked to it. The species ‘oak’ itself is not a sensory reality. This higher level of living concepts must be distinguished from the abstract concept ‘oak’ that is a result of human beings experiencing oak trees in the world.

The ideal realm of living concepts or ideas has the quality of being-ness. The manifest or sensory realm is dominated by death processes. This difference can help us understand the relationship between an element and an ether.

To further clarify the distinction between living thinking and thinking in the elemental realm we can consider geometrical or mathematical ideas. In contrast to the sensory-derived abstraction of the ‘oak’ concept, geometrical and mathematical concepts are experienced as existing a priori. That is, they exist before they are experienced in a sensory way. And we notice that to think them we must silence any thinking connected to our body or to previously experienced sensations.

Moreover, there are different levels of living or pictorial thinking even in geometric imaginations. The square in geometry can serve as a good example. We could give a definition of the square as a shape in which the four sides or the form are the same length and the four corners are all the same distance from the center. This is a concept that exists prior to my seeing a square in the second dimension. The archetypal geometric concept ‘square’ is a living, ideal pattern of activities and forces that animates all squares no matter where they are. As an ideal or living concept there is no need for the archetypal square to manifest in the

physical realm. It exists a priori and is in a condition of eternal becoming. It is eternally living.

Now, to prove to myself that the square actually is a living idea in the ideal archetypal realm I might draw the form, measure it, and then make a theorem about it. I would then be making a derived concept from a living concept. I have to participate in the living-ness of the ideal concept to do this at first but then as I make the image of the square and define its laws I no longer have to participate in the life of the concept because in my mind the life of the idea dies into an abstraction that I can more easily remember. Then, later on, to think of the concept square, I simply remember the defining drawing that I made manifest along with the laws that I derived cognitively from the sensory process, and a remembered concept of a square appears in my consciousness.

This process pushes my a priori experience of the living-idea-archetypal concept square down into the realm of abstraction and away from its life in the imaginal realm. I have abstracted the picture of the square from a sensory experience of measuring it and I no longer have to exert my will to participate in the a priory archetypal nature of the square as an ideal entity in a cognitive realm. To think the concept 'square' I simply recall the derived concept. Most Euclidian forms of geometry have been abstracted in this way. They yield living pictures only the first time we struggle to think them.

However, if we wish to animate our thinking again we could also imagine the square as a line, broadening by moving at right angles to itself along its length until its width equals its height. To see this we would have to participate strongly in what we could call the 'becoming' of the square rather than simply remembering its abstract description. Remembering the square would result in a deadened picture of a derived or abstract concept. Imaginatively participating in the formation of the square would result in a living picture of the becoming of a concept – we would have to inwardly picture the becoming of the square every time we wished to think the concept.

The first way is the basis for abstract research; the second is the basis for imaginative research. In the effort of participating in the becoming of the second square we actually enter into the fourth dimensionality of the square. When we do so, it is then very difficult to engage in the remembering of the outcome of the process without actually participating in the process itself. ...”

Bibliography:

Rudolf Steiner:

German: All original German texts refer to the Complete works of Rudolf Steiner as paperbacks (Gesamtausgabe als Taschenbuch) in the following referred to as GATB with the number of the volume.

Die Erziehungsfrage als soziale Frage, 4. Auflage, Dornach 1991, (GATB735) Vorträge in Dornach 9. bis 17. August 1919

Die Geheimwissenschaft im Umriss, 30. Auflage, Dornach 1989, (GATB601)

Die Kernpunkte der sozialen Frage, 6. Auflage, Dornach 1976, (GATB606)

Die Philosophie der Freiheit, 15. Auflage, Dornach 1987, (GATB627)

Nationalökonomischer Kurs/ Nationalökonomisches Seminar, 3. Auflage, Dornach 1986, (GATB731)

Staatspolitik und Menschheitspolitik, 2. Auflage, Dornach 1982, (GATB667)

English:

Education as a Force for Social Change, Hudson, NY 1997 (EduFC)

An Outline of Occult Science, third edition, Spring Valley, NY, 1972

Towards Social Renewal, Bristol 1977, translated by F.T. Smith (TSR)

Towards Social Renewal, London 1999, translated by M. Barton

The Threefold Commonwealth, NY 1922, translated by e. Bowen-Wedgewood

World Economy, Rudolf Steiner Publishing co., England 1949 (WE)

Spiritual Science as a Foundation for Social Forms, Hudson NY 1986

The Renewal of the Social Organism, Hudson, NY 1985,

Alexandra, John: Mephistopheles' Anvil, Spring Valley, NY 1996

Bigelow, B./Peterson, B.: Rethinking Globalization, Milwaukee, WI, 2002

Budd, C. H.: Prelude in Economics, West Hoathley, England 1999

Budd, C. H.: Rudolf Steiner, Economist, Canterbury, 1996 The Global Trap,

Desaules, Marc: A Human Response to Globalisation, Canterbury 2003

Herrmannstorfer Udo: Schein-Marktwirtschaft, Stuttgart 1997

Klocek, Dennis: The oak and the square: Living Thinking and the Transformation of the Elemental Realm, Lilipoh, Issue 40, vol. 10, summer 2005

Lamb, Gary: Overcoming Self-Interest in Social Life: Part II, www.socialrenewal.com

Martin, H.P. / Schumann H.: Die Globalisierungsfalle, Hamburg 1998

Martin, H.P. / Schumann H.: Global Trap, NY 1997

Perlas, Nicanor: Shaping Globalization, Saratoga-Springs, NY, 2000.

Spence, Michael: Freeing the human Spirit, Fair Oaks, CA 1999

Strawe, Christoph,: Sozialempfinden, Sozialverstaendnis, Sozialfaehigkeit – Ihre Entwicklung in der Waldorfpaedagogik, Erziehungskunst, vol. 2 Feb. 1997 (Available on the web at: www.sozialimpulse.de, (SSSWP)