Anthroposophical Capitalism: Esoteric Beliefs and the Creation of Modern Business Enterprises

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This paper explores why esoteric religious and philosophical beliefs have sometimes provided the foundation for successful modern business enterprises. The subject is not entirely new: there is a long tradition in the business history literature debating why particular minority religious and/or ethnic groups became disproportionately influential in business at particular time, whether it be Quakers in Britain’s Industrial Revolution, Parsees in British India, or Jews in commerce and finance. The usual suspects in explanations are some mixture of unique value systems, networking advantages, and exclusion from alternative career paths.

The holders of esoteric beliefs share similarities with more “mainstream” minority groups: the difference lies primarily in the extent of the outlandishness of their ideas. A working definition of esoteric beliefs, proposed by Wouter Hanegraaf, a professor of the history of hermetic philosophy, is that they are composed of “precisely everything that has been consigned to the dustbin of history by Enlightenment ideologues and their intellectual heirs up to the present, because it is considered incompatible with normative concepts of religion, rationality and science.”1 The interesting paradox, then, lies in why some people holding beliefs so opposed to modern normative concepts proved deft at building successful modern business enterprises.

The focus of this paper is on the businesses created and built by anthroposophist followers of Rudolf Steiner. However Section 1 begins by a brief discussion of other esoteric movements which have generated a significant number of modern businesses. Section 2 introduces the Steiner’s philosophical views. Section 3 turns to Steiner’s own foundation of
companies and surveys the companies which have been created by his followers between his
death and the present day. The following two sections turn to two case studies of companies
developed by people with anthroposophical beliefs. Section 4 looks at Ambootia Tea, the largest
organic tea company in Darjeeling, India. Section 5 looks at Aarstiderne, a large organic food
company in Denmark. As of 2018, these companies had annual revenues of $63 million and
$100 million respectively.

1. Esoteric Capitalism: Freemasons, Mormons and Jains

Anthroposophy is not the only esoteric belief whose followers have been successful in
modern business. In fact they are only one example of a broader phenomenon which has
received little, if any, attention in the business history literature. It is not a straightforward matter
to describe any religious or philosophical group as “esoteric,” not least because it contains
connotations of being cultish, odd or just crazy. In particular, historians will immediately observe
the problem that one chronological period’s esoteric group can be another era’s normative belief.
Early Christians, for example, were “esoteric” as the belief spread in ancient Rome. By the fifth
century, when worship of Roman gods was made illegal, Christians were the mainstream, and
residual believers in the Roman gods esoteric. In full recognition of such difficulties of
historicity, this paper begins with brief discussion of the business activities of holders of beliefs
considered esoteric when they emerged, and remain minority and considered as esoteric today.

The first example is Freemasonry. This movement goes back at least to medieval
guilds of stonemasons in fourteenth century Europe, but whose adherents have at times traced
their origins back to the medieval Knights Templar or as far back as the Biblical Noah.²
Freemasons fit one classic definition of “esoteric” as claiming access to a knowledge which is
available only to a narrow circle of enlightened or specially educated people. Allegorical

²
symbols are used to teach knowledge about the nature of the Creator, the origins of the universe, and humanity's universal destiny. There are passwords, secret signs and handshakes, as members of Lodges learn new levels of this secret knowledge. Initiation ceremonies includes rolling up trousers of a leg to show the person is unshackled and therefore a free person, and exposing the left breast to prove the candidate is not a woman. Masonic initiation rituals have served as an important basis for other esoteric movements, such as Gerald Gardner’s Witchcraft movement of the 1950s. There has also been a long and close relationship between Mormonism and Freemasonry. The first five Latter-day prophets, Joseph Smith, Brigham Young, John Taylor, Wilford Woodruff, and Lorenzo Snow, were Freemasons, and this overlap has continued until the present day.

Freemason beliefs and practices are not easy to reconcile with “normative concepts of religion, rationality and science” prevalent since the Enlightenment. Yet it is evident that many businessmen – woman are not admitted to the fraternity – have been Freemasons. Prominent examples of business leaders who were known to be active Freemasons include John Jacob Astor, Henry Ford, and William Lever. However the strong tradition of secrecy makes it very difficult to relate membership of the craft to business activities. It is probable, but speculative, that Lever’s extensive paternalist endeavors in his soap factory at Port Sunlight in the late nineteenth century was inspired by Freemasonry. Certainly Lever was very active in the craft, including encouraging male employees to join.

A second esoteric belief system which has had a noteworthy impact on modern business is the Church of the Latter Day Saints, colloquially known as Mormonism. Although not on every list of esoteric religions, it might reasonably be considered as “incompatible with normative concepts of religion, rationality and science.” Mormonism originated in New York in
the late 1820s, when Joseph Smith unearthed a text written by a prophet called Mormon, an ancient inhabitant of the Americas, engraved on plates of gold. Mormon was a Nephite, one of a tribe of Jews that had allegedly fled Palestine and built massive cities in the ancient Americas. The Book of Mormon, given equal status to the Christian Bible, claimed to have restored traditional Christian beliefs before they were distorted by the church in the third and fourth centuries. Contrary to Biblical Christianity, Mormons asserted that each person has a pre-mortal life before they spent time on earth having a chance to gain new levels of knowledge that would allow them to become like God. After death, the spirit left the body and moved on to a spirit world they were segregated into different kingdoms of glory.

Like many esoteric belief systems, there is secrecy about rituals. Mormon temples are closed to the public and church members do not talk about rituals performed in them. Various beliefs and practices – including the story of the ancient American civilizations, the early custom of polygamy, the wearing of Temple garments (also known as Mormon underwear) to ward off evil, the storing of a three-month supply of food in larders in case of Armageddon, the use of retrospective baptism of the dead (including, controversially, 300,000 Jewish Holocaust victims) – have provoked everything from outrage and persecution to bad jokes. Few ever questioned, however, the emphasis that their church placed on honesty, which seemed to produce “nice” people and trusted business practitioners. The Church's thirteenth article of faith stated, "We believe in being honest."7 “What the Mormons do, seems to be excellent,” according to the nineteenth century British journal *Household Words*, “what they say, is mostly nonsense.”8 It is fair to say that Mormon beliefs, and perceived practices, have never become normative in the United States or elsewhere.

Like Freemasons, members of the Church of Latter Day Saints have been prominent in
business, despite not being numerous.9 The Mormons, an article in *The Economist* observed in 2012, “have produced a striking number of successful business people.”10 They include, in no particular order, John Willard Marriott, the founder of the Marriott Corporation; George Romney, president of American Motors Corporation from 1954 to 1962; his son Mitt Romney who founded Bain Capital; Jon Huntsman who founded Huntsman Corporation; James LeVoy Sorenson, founder of Sorenson Companies; Kevin Barney Rollins, a President of Dell Inc; Sheri Linn Dew, president of the Deseret Book Company; and David G. Neeleman the Brazilian-American entrepreneur who has founded three commercial airlines, Morris Air, Jet Blue Airways and Azul Brazilian Airlines. Some of these figures explicitly inserted Mormonism into their business, such as Marriot who placed the Book of Mormon and the Bible into every hotel room, while others did not.

A third case of esoteric belief is Jainism. This is a different case than the two previous ones. Jainism emerged in 7-5 BCE India in reaction to normative Hinduism. Although Jainism shares some similarities with Hinduism and Buddhism, it also has some very distinctive beliefs which set aside from these religions, and certainly from Enlightenment “concepts of religion, rationality and science.” The religion teaches that the way to liberation and bliss is to live lives of harmlessness and renunciation. Non-violence to any life form is a core belief. So is the importance of truth (*satya*) and never stealing (*asteya*). Although it shares belief in reincarnation with Hinduism, Jainism is distinctive among religions for the absence of any deity. It has a distinctive view of knowledge. In Jain metaphysics, the doctrine of *syaaadvaada* holds that all judgments are conditional, holding good only in certain conditions. Unlike Hinduism, one of the strongest and most observed Jain principles is *ahimsa*, or non-violence, which includes a commitment to harm any life form, which naturally includes strict vegetarianism.
Within India, the Jain community, which today consists of about 4 million people, has produced noteworthy business leaders and founders of large modern business enterprises. Jains flourished as bankers and traders during the seventeenth and eighteenth centuries in the Mughal Empire and before the arrival of the British. They subsequently continued to flourish in the era of modern industrialization. Examples include Premchand Roychand, a founding member of The Bombay Stock Exchange, Indu Jain, the owner, The Times Group, Narendra Patni, the founder of Patni Computer Systems, and Bhavarlal Jain, the founder of Jain Irrigation Systems. All these figures were noteworthy for philanthropy and other acts of social responsibility. Bhavarlal Jain and his sons who succeeded him, for example, were committed to improving the welfare of farmers through their micro-irrigation businesses. Another prominent Jain was Kasturbhai Lalbhai, one of the founders of Arvind Mills in the 1930s who became a large textile industrialist, and a noteworthy proponent of high business ethics. He was a prominent supporter of Gandhi’s campaign for independence from colonial rule, and a founder, supporter and donor to the Indian Institute of Management at Ahmedabad, the prominent management school created in 1959. Being a highly religious Jain, he also saw the renewal of multiple Jain temples through his Chairmanship of the Anandji Kaljanji Trust after 1925.

This is not the place to explore in detail why Freemasons, Mormons and Jains appear quite prominent as creators and builders of modern business enterprises. There are specific factors to consider for each group. Networking advantages and a strong emphasis on integrity and honesty appear as common features likely to be beneficial in business activities. The trust generated by honesty is known to be useful in generating entrepreneurial cultures. It is also not the place to address whether these groups are themselves atypical of esoteric groups in their pursuit of business opportunities, or representative. The major point here is just that holding
religious and philosophical beliefs that appear widely different to prevailing norms, or in the unkind words of the Victorian journal, “mainly nonsense,” has evidently not proved inimical to success in modern business. The reasons why this might be so will be explored in more depth in the case of Anthroposophy.

2. Rudolf Steiner and Anthroposophy

Born in 1861 in present-day Croatia, then part of the Austro-Hungarian Empire, Rudolf Steiner comfortably fits into the category of someone whose views were “incompatible with normative concepts of religion, rationality and science.” He already claimed to be communicating with the spiritual world when he was eight years old. He was formally educated in mathematics and physics in Vienna, and obtained a doctorate in philosophy from Rostock University in Germany. As man of his time, Steiner was heavily influenced by the German Idealism, especially the work of Johann Wolfgang von Goethe, but upon moving to Berlin in 1897, he also became involved with Theosophy. This took him in directions which were strongly esoteric.

Theosophy was an important movement which developed during the so-called Occult Revival in Europe and the United States during the late nineteenth and early twentieth centuries, alongside Spiritualism and schools of ceremonial magic, which sought to develop new theories about the relationship between humans and the supernatural. Helena Petrovna Blavatsky, who co-founded the American Theosophical Society in New York in 1875, revived the old notion that Plato knew of a “wisdom religion” which offered the secrets of knowledge and enlightenment. The major innovation was a new engagement with Indian religions, especially Buddhism, and the introduction of concepts such as karma and reincarnation. This synthesis was new, and set the pattern for esoteric beliefs in the West going forwards.17
Steiner led the German section of the Theosophical Society between 1902 and 1912, but disagreed with the movement’s leaders in maintaining the importance of scientific investigation, as well as asserting the unique importance of Jesus Christ. In 1913 Steiner broke away to found his own school of Anthroposophy, a “science of the spirit,” which essentially sought to occupy the middle ground between science and religion. Steiner believed that humans had lost awareness of their ancient understanding that they had bodies, souls and spirits, with nineteenth century materialism as the last straw. He saw human beings living both on earth and in the spiritual world, and asserted that they needed to operate competently in both. There was a profound optimism in his work arising from his belief that there was a spiritual dimension to human beings which was a source of hope for future possibilities and new beginnings.18

As one author has observed, “anthroposophy is, in every sense of the word, esoteric.”19 Steiner’s endeavor to link science and the spiritual world was wholly alien to Western thought since the Enlightenment, as it had explicitly sought to separate them. In the broadest terms, Steiner offered an alternative view of reality and human history as he described the evolution of consciousness. This process evolved as humans were continuously re-incarnated, changing genders and cultures as they evolved over time. Capacities acquired in one incarnation became new talents in the next, while misdeeds also came back. Reincarnation and karma meant, in Steiner’s view, that everything in life had a meaning. Steiner’s thought was deeply holistic, something which was to inspire later generations of environmentalists. He developed the concept of social three-folding, perceiving three domains of human society – economic, legal and cultural – which needed to remain autonomous, but needed to negotiate to achieve consensus. A polymath, his collected works amount to at least 400 volumes, covering an extraordinary range of topics, which some regard as a work of genius, others as the work of a lunatic, and yet others
see as reactionary and racist. This is a criticism with anthroposophist followers contest, not least because the movement was sometimes persecuted in Nazi Germany, although Steiner’s writings about the evolution of races and racial hierarchies are evidently racist from today’s perspective.20

Steiner’s rewriting of world history, clairvoyance, encounters with celestial beings, and much more, appear to make him a role model of incompatibility with “normative concepts of religion, rationality and science.” He continues to regularly turn up on websites devoted to exposing “quacks.”21 “Steiner's claims were and are a lot of nonsense,” observes another website.22 Assertions that goblins exist, as did fire-breathing dragons in the past, and that the ancestors of humans emigrated to planets such as Mars, are among the more innocuous of Steiner’s views that attract ridicule.23 Although Steiner’s writings were framed with the context of German philosophy, they have never been taken seriously within academic philosophy.

One caveat is that Steiner appears as particularly esoteric from the perspective of Western philosophy and religious thought, and the degree of esotericism diminishes in other contexts. From a perspective of a Hindu, for example, Steiner’s views on reincarnation, and of energy systems pervading the universe, are mainstream rather than esoteric. Equally Hinduism’s lack of a purely materialistic construct and assertion that humans have a connection with things beyond themselves is quite aligned with Steiner’s views.

Whatever view one takes on Steiner, overlooked genius or ultimate quack, a distinctive feature of his career was an emphasis, which intensified over time, on working with others to find practical applications of his worldview. In simple terms, he was concerned to establish the practical consequences of the belief that humans were spiritual beings. This was atypical of a philosopher, of course, but it resulted in the establishment by Steiner, and his followers, of a raft of new techniques and institutions, including trademarks and firms.
The sheer scope of Steiner’s interests, and talents, is staggering. It is also one reason why Steiner was, and has remained, considered esoteric, for it was far beyond the norms of a society in which specialization was the norm for serious scholars. Although not formally trained as an architect, from 1913 Steiner began constructing the Goetheanum, a sculpted, double-domed wooden building, in Dornach, Switzerland, as a school for “spiritual science.” The Goetheanum, and the replacement building after the first wooden building was destroyed by an arsonist in 1922, was a radical endeavor to introduce his spiritual philosophy into architecture. The buildings have been hailed as an architectural classic of the twentieth century. He wrote four Mystery Plays, which told his story of spiritual development, which were performed in the Goetheanum and elsewhere, as was Eurythmy, a new expressive art form developed by Steiner.  

Steiner also began researching the healing power of ingredients derived from plants, and worked with a young doctor, Ita Wegman, who had been trained at the University of Zurich, one of the few universities at that time which admitted women to medical degrees. The school at the Goetheanum included departments run by pharmacists and chemists, who sought to develop products of anthroposophical medicine. Wegman developed a cancer treatment using an extract of mistletoe, which remains prescribed in Germany today, despite conflicting evidence from medical trials. Its use is not approved by the USDA in the United States.  

3. Anthroposophical Capitalism  

Steiner’s emergence as an entrepreneur began during World War I and its aftermath. In October 1919 Steiner gave a speech to anthroposophists at Dornach calling for an international movement of renewal based on his views of three-folding. Also speaking that day was Emil Molt, a German entrepreneur who owned a cigarette company, the Waldorf-Astoria Cigarette Company, who was in the process of co-founding with Steiner a school in Stuttgart to serve the
children of employees of the factory. Steiner’s ideas on education had been developed earlier, but now moved to a practical application in actual schools. Steiner insisted on a number of rules which were largely against contemporary norms, including that a school had to be open to all children, that it was coeducational, that it was a unified twelve-year school, and that the teachers had primary control of the school, with minimum interference from the state or others. The first school became the forerunner of the Waldorf educational system, which held as its primary intention the ideal of bringing forth, in every child, his or her unique potential in a way that served the further development of humanity. More specifically, there was a heavy emphasis on music, arts, movement and stories in the early stages of the program, designed to inspire imagination and holistic understanding. It has been noted that the system mirrored the ancient Hindu system of education known as *gurukula*.  

Molt also suggested that businesses could be established to provide the financial means for supporting the diffusion of anthroposophy. Steiner came up with the idea of creating a “bank-like institution” to support such businesses which would promote anthroposophical values by assisting other companies with financial and managerial support, and creating a new business culture. In terms of the three-folding model, Steiner saw capital as created by entrepreneurship in the cultural sphere, used as loans in the legal sphere, and deployed in the economic sphere. The profits generated by business could be used to repay loans and support educational and cultural institutions.

It was challenging to execute this vision of a new business system challenging. The proposed bank, whose German name translates to The Coming Day in English, launched in 1920 with Steiner as chairman. A number of small companies and laboratories were also launched in Germany and Switzerland to make natural medicines. The ventures struggled to progress, which
was hardly surprising in the conditions of postwar Germany in particular. The earlier ventures were rolled up in 1924 into a Swiss-based joint stock company, soon known as Weleda. Steiner described it as an “economic-spiritual enterprise.” Steiner did not join the board, as he wanted to focus on his spiritual work. The Anthroposophical Society and individual anthroposophists were the shareholders.29

By then Steiner had developed ideas about how a new agriculture based on anthroposophist principles. Working with a group of German farmers, Steiner developed a course of lectures on agriculture which took place in 1924. Steiner incorporated ideas already in circulation in this period, including seeing farms as organisms, but he also added new components, including the value of mixed farming and the use of animals, the avoidance of chemical fertilizers, the use of cosmic forces to enrich the soil, and how to control pests and weeds without pesticides. The health of the soil, plants and animals depended, he argued, on their connection with cosmic creative forces.30

Steiner saw his lectures as works in progress, but they were formative in basic principles of what known as biodynamic agriculture. The principles featured the use of nine so-called “preparations” designed for soil health, and to stimulate plant growth alongside crop rotation, manuring and the integration of crops with livestock. The preparations were a mixture of mineral, plant and animal manure, which were fermented and applied to composts, soil and plants. The preparations were left in the soil for either six months or a year, two of them in cow horns and five of them in different animal parts, such as the bladder. Three were then sprayed on crops and six blended into compost. In addition, the method emphasized that plants come under astrological influences, and that planting and harvesting needed to coincide with movements of the moon and the planets.31
Steiner himself became ill, and during his last months before his death in 1925 he was cared for by Ita Wegman as they jointly wrote his last book, which provided a theoretical basis to the new medicine they were developing. Weleda’s product line by the mid-1920s included remedies against a wide variety of illnesses and well-selling dietary supplements and digestive teas. Hair tonic and shaving soap were also made from ingredients grown on biodynamic principles, making the venture the founder of the modern natural beauty industry.32

Steiner’s legacy appeared very fragile on his death, but surprisingly his ideas proved resilient. New Waldorf schools opened in Britain and the United States during the 1920s. Sixty years later there were nearly 600 schools worldwide. By 2019 there were 1,150 Waldorf schools worldwide. In 1939 anthroposophical ideas inspired the Camphill movement for children with development disabilities. This was started by an Austrian refugee, Karl König, in Scotland. Ita Wegman, who had a home for children with learning disabilities in 1922, had hired him in 1927 to her center for anthroposophical medicine.33 By 2019 there were over 100 Camphill communities worldwide.

Weleda also survived, even though its first dividend came only in 1929, and it was not to issue another one until after the end of World War II. Today Weleda’s sales are almost half a billion dollars.34 The principles of biodynamic agriculture, developed over time by Steiner followers, became one of the key foundations for today’s organic agriculture. Its supporters prioritized building institutions and establishing rules. An organization called Demeter, founded in 1927, advised farmers interested in trying out Steiner’s approach, and engaging in the marketing of biodynamic products. The Demeter trademark was developed in 1928 was used to certify biodynamic products. For half a century, Demeter remained the only certification scheme for organic products.
There were many other small ventures in many places. For example, in 1928 a German expatriate coffee farmer in Chiapas, Mexico, switched to biodynamic farming. Finaca Irlanda was formally certified by Demeter in 1928. The coffee plantation is still in business now.\textsuperscript{35} There were multiple biodynamic farms in operation in Germany in the 1930s, some with links to the Nazi regime.\textsuperscript{36} Meanwhile individuals spread biodynamic ideas. During the late 1920s Ehrenfried Pfeiffer, a German chemist who had worked with Steiner, converted a farm in the Netherlands to the principles of biodynamic farming, and grew the largest biodynamic venture in interwar Europe.\textsuperscript{37} Steiner’s ideas reached the United States through American students who had studied with him. In 1926 members of New York City’s Threefold Group bought a farm in rural Rockland County, northwest of New York City, which became the first piece of land farmed using biodynamic methods in North America. In 1933 they held their first summer school at Threefold Farm, and one of the invited speakers was Pfeiffer. He settled permanently in the United States in 1938, where he created a model biodynamic farm at Kimberton, Pennsylvania which played an influential role in the embryonic organic food market after the end of World War II.\textsuperscript{38} Pfeiffer’s English language book, *Bio-Dynamic Farming and Gardening* (1938) codified the agricultural practices which had become with Steiner, and introduced the term “biodynamic.”\textsuperscript{39}

Anthroposophy and its institutions such as Demeter survived the Great Depression and World War II, but remained wholly marginal during the postwar decades, except for Waldorf schools. Anthroposophy was considered too outlandish to be publically associated with, even if some followers exerted influence. An example was their influence on the American writer Rachael Carson, whose *Silent Spring*, published in 1962, is widely considered to have revived concerns about the natural environment through its description of negative impact of the
chemical pesticide DDT on animal life. Carson drew on a pamphlet on DDT by Pfeiffer, and more especially on the work of two female biodynamic farmers Long Island, New York, Majorie Spock and Mary Richards. During the late 1950s Spock sued the US government for spraying with DDT, a case which reached the Supreme Court in 1960, but did not succeed. Aged eighteen, Spock had gone to Dornach to study with Steiner, became a keen practitioner of Eurythmy, and taught at a Waldorf School during the 1930s. Carson and Spock developed a close relationship.\textsuperscript{40} However Carson avoided mentioning the contribution of Spock and Richards in her book, probably because of concerns that the association with biodynamic agriculture would damage her credibility.\textsuperscript{41}

However the influence of anthroposophy on business began to expand soon with the creation of a new cohort of businesses, mostly connected to food and agriculture. By the 1960s the use of chemicals in agriculture had far intensified compared to when Steiner was writing, and the solutions he proposed took on a new relevance. It was not only Steiner’s followers who detected that there was growing ecological urgency. The 1960s saw the emergence of the so-called second wave of environmentalism, driven not only by Carson’s book but multiple incidences of water pollution episodes, including oil spills and the Cuyahoga River in Cleveland, Ohio catching fire as a result of chemical waste. There was also the growth of counter-cultural movements and associated new social movements, including civil rights movements, women’s liberation and anti-Vietnam war protests. This was the era too which saw the creation of the first natural foods stores and the spread of macrobiotic restaurants in Europe and the United States.\textsuperscript{42} The revival of interest in biodynamic agriculture, then, took place within this broader context.

As Table 1 shows, there was a new cohort of anthroposophical start-ups.
<table>
<thead>
<tr>
<th>Name</th>
<th>Foundation Date</th>
<th>Country of Origin</th>
<th>Industry</th>
<th>Size Metric, 2017/2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Waldorf schools</td>
<td>1919</td>
<td>Germany</td>
<td>Education</td>
<td>1,150 schools / 1,817 Kindergartens in 73 countries</td>
</tr>
<tr>
<td>Weleda</td>
<td>1921</td>
<td>Switzerland</td>
<td>Natural medicine, skin care.</td>
<td>$481 million in net sales</td>
</tr>
<tr>
<td>Finca Irlanda</td>
<td>1928</td>
<td>Mexico</td>
<td>Coffee</td>
<td>13,800 kg per year</td>
</tr>
<tr>
<td>Dr. Hauschka</td>
<td>1967</td>
<td>Germany</td>
<td>Skin care and cosmetics</td>
<td>$18 million sales (e)</td>
</tr>
<tr>
<td>GLS</td>
<td>1974</td>
<td>Germany</td>
<td>Finance</td>
<td>Total assets $6 billion</td>
</tr>
<tr>
<td>Mercury Provident</td>
<td>1974</td>
<td>Britain</td>
<td>Finance</td>
<td>Acquired by Triodos 1994, (assets $10 million)</td>
</tr>
<tr>
<td>Domaine Pierre Frick</td>
<td>1976</td>
<td>France</td>
<td>Wine</td>
<td>90,000 bottles per year</td>
</tr>
<tr>
<td>Frey Vineyards</td>
<td>1980</td>
<td>US</td>
<td>Wine</td>
<td>2.4 million bottles per year</td>
</tr>
<tr>
<td>Triodos Bank</td>
<td>1980</td>
<td>Netherlands</td>
<td>Finance</td>
<td>Total assets $17.4 billion</td>
</tr>
<tr>
<td>Merkur Andelskasse</td>
<td>1982</td>
<td>Denmark</td>
<td>Finance</td>
<td>Total assets $540 million</td>
</tr>
<tr>
<td>Alnatura</td>
<td>1984</td>
<td>Germany</td>
<td>Food retailing</td>
<td>$955 million net sales</td>
</tr>
<tr>
<td>Martina Gebhardt</td>
<td>1986</td>
<td>Germany</td>
<td>Beauty</td>
<td></td>
</tr>
</tbody>
</table>
Sanoflore | 1986 | France | Beauty | Acquired by L’Oréal 2006, (annual sales $18.3 million)

Ambootia Tea | 1994 (conversion) | India | Tea | $63 million sales; 10,700 employees

Ekobanken | 1996 | Sweden | Finance | Total assets $107 million

Cultura Bank | 1997 | Norway | Finance | Total assets $110 million

Emiliana Vineyard | 1998 (conversion) | Chile | Wine | $31 million sales

Aarstiderne | 1999 | Denmark | Food direct sales | $100 million sales

Domaine de la Romanée-Conti | 2007 (conversion) | France | Wine | 96,000 bottles per year,

King Estate | 2016 (conversion) | US | Wine | 4.2 million bottles per year

Among the first of the new start-ups was the Dr. Hauschka skin care line created by Rudolf Hauschka and Elisabeth Sigmund in 1967. Hauschka had worked with Its Wegman on natural medicine in the interwar years, and experimented with preparing botanical extracts based on rhythmical exposure to elemental polarities. In 1929, he achieved success in creating a water-based extract of rose petals that remained stable without the use of alcohol or preservatives, which began the basis for the first WALA (Warmth/Ash, Light/Ash) laboratory opened in Germany in 1935. In 1969 Rodolphe Balz created Sanoflore Laboratory in southeast France, growing plants bio-dynamically, and making shampoos and massage oils, and later cosmetics. The French biodynamic agriculture society, Nature et Progrés, also took a lead in encouraging European-wide co-operation on organic standards. It was behind the launch of the International Federation for Organic Agriculture Movements (IFOAM) in 1972.
In 1974 the first banks organized on Steiner’s principles were launched. In Germany, Gemeinschaft für Leinen und Schenken (GLS) began with a chance encounter between a lawyer, Wilhelm Barkhoff, and an anthroposophist attempt to find finance for a new Waldorf school. Barkhoff, initially a conventional Catholic, became intrigued by the need for a new kind of bank which would provide socially useful goods. GLS eventually launched as a mutually-owned co-operative bank which paid depositors no or little interest, and screened lenders for values, lending especially to Demeter-certified farms, and later to early wind power projects. The British-based Mercury Provident operated on broadly similar principles.46

In France, Pierre Frick began converting his family vineyard in Alsace to biodynamic methods in 1976. Two other farmers converted at the same time. “I wanted to grow vines while respecting the land that our forefathers left us….the land but also water and air. It was a matter of conscience,” Frick later noted.47 Frick’s adoption of biodynamic methods was combined with anti-nuclear activism and political engagement with the nascent Green Party. The creation of a market for organic wine was to prove extremely difficult, but short-term financial gain was not uppermost in Frick’s mind. “When you have strong beliefs you should follow them regardless of financial considerations,” Frick noted, “of course we went through a difficult time financially.”48

In 1980 Jonathan and Katrina Frey launched a biodynamic vineyard in Sonoma county in California. They had encountered the ideas when attending the University of California at Santa Cruz, where a British expatriate called Alan Chadwick, who had studied under Rudolf Steiner as a young man, had transformed a steep hillside into a prolific garden using biodynamic methods. The Frey’s encountered enormous hostility from established vineyards in the area, and great difficulty reaching consumers.49

While the great majority of businesses were European, this was not always the case. In
1977 Ibrahim Abouleish launched an organic farming business called Sekem in Egypt, which literally turned desert into farmland. He had studied science in Austria, and had stayed working in the country thereafter, but a visit to his former home of Egypt had made him want to do something to address the poverty and squalor he had seen. Having encountered the work of Rudolf Steiner in Austria, he resolved to try to create an organic farm out of the desert. It was a difficult start-up. At the most basic level, Abouleish had to hire expertise from Europe as there was no established biodynamic technique to make dessert soil capable of growing crops. Organic agriculture was unknown in Egypt. Once a method had been established, it had to be taught to farmers.\(^5\)\(^0\) There was also opposition from Egypt’s Ministry of Agriculture which considered biodynamic agriculture would spread disease. There was a home market for organic food, so Abouleish built his business by developing export markets for organic produce. Abouleish persisted against the odds, and eventually developed a project with the German Development Bank and a German-based natural medical products company called Dr. Schaete to create a joint venture to develop medicines from plants. It also worked with the newly founded Alnatura company in Germany, discussed below, initially to develop and sell biodynamic cotton.\(^5\)\(^1\) In 1996, SEKEM and a group of European trade partners formalized links and founded the International Association for Partnership in Ecology and Trade which aimed to build cooperation among farmers, manufacturers, and distributors from the North and South, and specifically improve the quality of organic products cultivated in developing countries. Both Ambootia and Aarstiderne, the two case studies below, became members in due course.\(^5\)\(^2\)

By then anthroposophists had also created a new food retailer in Germany. In 1984 Götz Rehn launched a small anthroposophical food retailer in Germany called Alnatura. Three years later the company launched the first organic supermarket in Germany, Rehn had been
educated at a Waldorf school, and studied economics up to doctoral level. The book which came out of his dissertation drew on anthroposophical, psychological, and management thought to propose a model of a business organization which would be legitimate and play a positive role in society. Götz initially worked for Nestle, but working for that company he met anthroposophists who had founded a drugstore chain and a supermarket chain – both of which were run conventionally- and he decided to pursue an entrepreneurial career in organic food. Alnatura had fifty supermarkets across Germany, and revenues of $450 million, by 2008.53

As Table 1 indicates, this new wave of anthroposophical firms proved resilient. Alnatura, Domaine Pierre Frick, Dr. Hauscha, GLS and Sekem became, and have remained, substantial enterprises. Sanoflore built a sufficiently attractive brand that it was acquired by L’Oréal, the world’s biggest beauty company, in 2006.

After the first wave of new businesses during the 1960s and 1970s, there were further start-ups. Following GLS and Mercury Provident, new social banks were launched in Europe, including Triodos in the Netherlands (1980), Merkur in Denmark (1982), Ekobanken (1996) and Cultura (1997) in Norway. All of these banks were characterized by unusual degrees of transparency, relied on deposits from being willing to accept lower interest rates in order to finance activities they approved, and lent at below market rates. In line with Steiner’s three-folding ideal, they lent capital both to businesses and to the support of schools, music venues and other cultural institutions.54 While most of the banks, including GLS, confined its lending quite strictly to anthroposophical borrowers, Triodos relaxed this principle over time in order to broaden its lending. In 1999 the requirement that executive board members had to be “inspired” by anthroposophy, and had to be approved by anthroposophical and Christian associations, was dropped.55 By then it had played a significant role supporting both organic agriculture and wind
energy.

A significant new development was the conversion of an increasing number of established vineyards to biodynamic methods. In California the Frey’s were over time joined by other wine makers, including Paul Dolan, who worked for the long-established Fetzer Winery for nearly three decades. Dolan progressively became an enthusiast for biodynamic wines and the method’s ability to return “life energy” to the soil.\(^5\) In France too there were significant conversions to biodynamic, which had initially been confined to Alsace, but then spread to Bordeaux and elsewhere.\(^5\) In 2007 Aubert de Villaine, co-owner of the renowned Burgundy vineyard Domaine de la Romanée-Conti, which had been farmed organically since 1986, became fully biodynamic. “I realized,” he later observed, that it was the best way to be as close to the vineyard as possible, and for the vines to be most in harmony with nature.”\(^5\)\(^8\) There were also conversions in the large Chilean industry. In 1997 Emiliana Vineyards, established by the Guilisasti family in 1986 which also owned the country’s largest wine business Concha y Toro, converted part of its vineyard to biodynamic methods, the remainder being certified organic or sustainable. José Guilisasti had taken the whole vineyard biodynamic before his death in 2014, seeking passionately about the responsibility of his firm to people and soil.\(^5\)\(^9\) Overall, one estimate in was that 639 vineyards worldwide were certified as Biodynamic, with the largest number in France (over 300, with over 4,700 hectares of land), while each of Italy, Spain, Chile and the United States had biodynamic vineyards with over 1000 hectares.\(^6\)\(^0\)

Organic wines as a whole had a difficult start to develop a market as they struggled to achieve quality while avoiding use of preservatives such as sulfites, but over time the category grew, and biodynamic wines started winning prizes during the 2000s wines. See Table 2
<table>
<thead>
<tr>
<th>Year of Award</th>
<th>Decanter World Wine Award</th>
<th>Producer</th>
<th>Wine Name, Vintage</th>
<th>Region</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>Platinum</td>
<td>Martin Schaetzel by Kirrenbourg</td>
<td>Riesling, 2016</td>
<td>Alsace</td>
</tr>
<tr>
<td>2018</td>
<td>Platinum</td>
<td>Podere Forte</td>
<td>Petrucci, 2014</td>
<td>Tuscany</td>
</tr>
<tr>
<td>2018</td>
<td>Gold</td>
<td>Campos Góticos</td>
<td>7 Lunas Viñedos de la Joya, 2004</td>
<td>Ribera del Duero</td>
</tr>
<tr>
<td>2018</td>
<td>Gold</td>
<td>Château La Font des Ormes</td>
<td>Basalte, 2015</td>
<td>Languedoc-Roussillon</td>
</tr>
<tr>
<td>2018</td>
<td>Silver</td>
<td>Alpamanta</td>
<td>Malbec, 2014</td>
<td>Mendoza</td>
</tr>
<tr>
<td>2017</td>
<td>Gold</td>
<td>Jean-Baptiste Adam</td>
<td>Letzenberg Riesling, 2014</td>
<td>Alsace</td>
</tr>
<tr>
<td>2017</td>
<td>Gold</td>
<td>Domaine Clavel</td>
<td>Bonne Pioche, 2014</td>
<td>Languedoc-Roussillon</td>
</tr>
<tr>
<td>2017</td>
<td>Silver</td>
<td>Abbazia Santa Anastasia</td>
<td>Sensinverso Nero d’Avola, 2012</td>
<td>Sicily</td>
</tr>
<tr>
<td>2016</td>
<td>Platinum: Best Red Northwest Spain over £15</td>
<td>Descendientes de J. Palacios</td>
<td>Villa de Corullón, 2013</td>
<td>Mainland Spain</td>
</tr>
<tr>
<td>2016</td>
<td>Platinum: Best White Tuscany IGT over £15</td>
<td>Fattoria La Vialla</td>
<td>Barriccato Bianco, 2014</td>
<td>Tuscany</td>
</tr>
</tbody>
</table>
The reason why biodynamic methods were able to produce so many award winning wines resulted in much discussion, and some anguish, given the esoteric nature of the methods. As one book reported of wine growers, “Time and time again, one hears them saying the same: ‘It’s hard to believe in before you’ve seen it with your own eyes. It’s only when you’ve seen the results that you realize it works.’”61 The reasons why it worked remain unclear. Some pointed to the benefits of spraying the preparations on vines when the light was just right, as it might attract more light and promote photosynthesis, and so help the vitality and health of the plant. Others believed that the success of the wines primarily reflected that biodynamic wine-growing was demanding, so that wine makers needed to give great attention to the vines, simply resulting in a better product.62 It was noted by some authors that some wine growers employing biodynamics discarded the spiritual aspect of Steiner’s teaching. “Biodynamic agriculture can thus be said to have been ‘secularized’,” in the words of one study.63

Rudolf Steiner’s interest in the practical consequences of his worldview, then, had him to become involved in creating business enterprises, and imagining new forms of business enterprise. Over the following decades Weleda continued in business, as did many small farms certified by Demeter as well as Waldorf schools. However from the 1960s, as ecological concerns began to mount, anthroposophy acquired a new relevance. New firms were created in food, beauty and finance. These firms were hardly mainstream, but nor were many of them marginal either. They became the ideological shock troops of a new cohort of firms with strong ecological and social agendas.

4. Sanjay Bansal, Ambootia and Darjeeling Tea

The following two case studies explore the motivations and dynamics behind anthroposophical enterprises in the two quite different settings of India and Denmark. The first
concerns the firm Ambootia Tea under the leadership of Sanjay Bansal which converted to biodynamic in 1993.

The growing of tea in India began in the 1820s, when the East India introduced the plant, aiming to reduce the dependence of Britain on China, which was then the exclusive producer. In 1838 the government’s tea gardens were taken over by the Assam Company, owned by a great of British merchants, and after a turbulent start, a successful tea industry took hold.  

The industry evolved as a plantation-style system which gave workers housing, food and basic medical facilities in return for their labor. A hierarchical system of management was developed adopted from the military. The tea industry of Darjeeling at the foot of the Himalayas was developed by British planters from the 1840s. Many Nepalese came to work in the plantations. The teas developed the colloquial reputation of being the “champagne of tea.” The geographical conditions led to the creation of a delicate tea with a floral, muscatel, flavor. It never comprised more than 1 per cent of total Indian tea production.

After Independence in 1947, the Indian government pushed for rapid industrialization, and tea plantations were no exception. In an effort to make tea gardens more profitable, plantation owners demolished tea terraces which had helped to protect the soil, removed trees and other vegetation in order to add more tea bushes and embraced the synthetic chemicals of the West. The application of chemical fertilizers and pesticides had a particularly bad impact on the delicate flavor of Darjeeling teas. There were further problems because of India’s close economic and political relationship with the Soviet Union, which meant that vast quantities of tea were exported to that country, especially following a 1978 rupee/rouble trade agreement, which enabled the Soviet Union to buy cheap tea in exchange for military hardware. The Soviet purchasers had low regard for the quality of tea beyond that it should appear black in color. The
quality of tea had declined precipitously. This problem affected all Indian teas, but was especially damaging for Darjeeling, as the muscatel flavor was abandoned for Assam-like blackish tea. Many tea estates uprooted their high quality Chinery bushes, whose fine leaves produced flavorful tea, and replaced with Assamica bush varieties, with larger leaf sizes and yields. Meanwhile due to the absence of strict standards regarding labeling, many tea producers sold tea blends labeled as “Darjeeling,” but which actually included lower-quality tea from other regions.

The social conditions on the Darjeeling tea estates were horrendous. Although the British owners left after 1947, the plantations kept the hierarchical structure they had introduced. Estate owners presided over hundreds of thousands impoverished female workers, who spoke Nepalese rather than the Bengali spoken in the state of West Bengal in which Darjeeling was located. The workforce was predominately female as women were held to be better skilled at the very delicate hand-plucking of tea leaves, made necessary because the steep slopes made mechanization very difficult. While the women plucked tea, their husbands did household chores and looked after the children. There was a deeply embedded culture of alcoholism, especially among the men. There was a major strike in 1955 involving the Communist Party. Social tensions magnified as the condition of Darjeeling tea worsened. As demand for Darjeeling tea declined, there was less investment, and tea plantations became sick. Poverty levels grew. There was growing political opposition to being governed by the state of West Bengal with growing demands for autonomy by the Nepalese-speaking Gorkha population. In 1980 the separatist Gorkha National Liberation Front was formed, and violent protests began. The violence drove further disinvestment from the industry, and the flight of young people from the region to seek opportunities elsewhere.
A number of developments, which represented a combination of threat and opportunity, made it evident that the industry needed a new path. When the Soviet Union collapsed in 1991, India suffered an immediate severe drop in demand and the price of tea. At almost the same time, however, organic food and drink consumption began rising in some of the wealthiest Western European countries in line with rising ecological concerns. By the early 1990s, some countries, particularly Germany, had begun to monitor pesticide levels in tea imports more carefully. In order to raise consumer confidence in the quality of Darjeeling tea, and to take advantage of heightened demand for organic tea and willingness to pay a price premium for the product, the first experiments were made in Darjeeling to convert to organic methods.70

Bansal was born in 1961 on the Ambootia tea plantation where his father, S.P. Bansal, worked as a manager – not, it should be noted, as an owner. After 1968 Bansal’s father went on to manage other estates, before retiring in the early 1980s, by which time the Ambootia estate was in crisis. It had closed for several years, leaving the workforce unpaid and in dire straits. There was growing violence. The head accountant of the plantation murdered in the estate office in 1986. In that year a delegation of plantation workers travelled to Kolkata to meet S.P. Bansal and his wife, imploring them to acquire the tea estate and take on the liabilities. He agreed, despite the better judgement of most of his family.71

The family started a process of restoring the tea plantation, and the young Sanjaj Bansal went to work there, despite initial reluctance to work in the tea industry. In 1993 he suddenly found himself in charge of the business after his father retired and his older brother died in a car accident. He was deeply skeptical it was sustainable. The estate was using more and more pesticides and chemical fertilizers which was costly, let the quality of tea was in decline. He had encountered the concept of organic farming two years earlier, when he had managed a
small estate leased by his father, and after meeting a tea buyer from Switzerland, he had converted the estate to organic. In 1993 he decided to convert the much larger Ambootia estate, which had 5,800 people on it, to organic. This was a high risk strategy, as it involved not using chemicals for a three year period before any certification could be obtained. In contrast to the deeply hierarchical management norm of tea estates, Bansal launched a process of engaging directly and extensively with the female workers on the estate, consulting on the process of turning organic, as well as social issues such as the all-prevalent issue of alcoholism.\(^{72}\)

Bansal was not, as already noted, the only plantation to convert to organic, and the motives behind this decision were not always noble. The anthropologist Sarah Besky has written critically about how plantations owners have adopted the “language of environmental stewardship and transparency” to secure Fair Trade certification. This has enhanced their earnings, and provided cover for continued exploitative labor practices and norms, alongside minimal re-investment in tea plants. One owner, she observed, reinvented his plantation “drawing in equal measure on New Age spirituality and the language of luxury consumption,” a process which turned his “workers and the environment into consumables.”\(^{73}\)

Bansal’s decision to convert to biodynamic methods in 1994 was motivated by concerns beyond maximizing price premiums. He had become aware of Steiner and biodynamic agriculture during his exposure to the international organic movement in the previous few years. The tenets had immediately appealed to him, not least because they resonated with some views he already held. He later observed:

“Being an Indian it sunk in very fast, because Indian culture has similar core values. It is very pagan and biodynamic agriculture is very pagan also…. Steiner….was a kind of maverick…I would almost refer to him as a genius. He discovered that vitality achieved through the use of
agro inputs was actually impeding the cycle of life. So while they were enhancing productivity, they were killing the microorganisms that are in themselves the drivers of agriculture. So the literal translation of biodynamic agriculture is spiritual agriculture, and the definition is the interdependent development of plant, mineral, soil and animal through human intervention, because agriculture is artificial….Biodynamic agriculture takes cognizance of the different energy systems in the cosmos. It establishes the relevance of the energy system of the cosmos and of the planet –these being two polarities in the life cycle of living beings. So what biodynamic agriculture really does is it teaches you how to harness the cosmic energies and the earthy energies into agriculture… In biodynamic agriculture, what you are doing is you are aligning with the annual rhythm of energies of the cosmos, rather than working against them……You revitalize the entire farm system, and you look at the farm as a living being, rather than just a production house.”

Bansal implemented Steiner’s methods. Dandelions were grown and their leaves used to make sprays, while their flowers were stuffed inside cow horns and buried in the earth during winter to make fertilizer. Cow horns were filled with a mixture of humus, and buried in the fall to be used as a fertilizer in the spring. The boiled leaves of Lantana plants were employed as pesticide against aphids. Meanwhile vermiculture was employed to create rich manures. As organic matter was broken down and digested by worms, a higher concentration of nitrogen developed in the compost. The aim was to create harmony between material used and cosmic forces. Bansal noted the importance of the only mineral base employed, the quartz crystal, which was ground up, mixed up and sprayed on plants:

“This optimizes the relationship between the plant and the solar energy. So quartz ..is the purest form of silica. And siliceous material is the only medium to harness solar energy. Similarly, you
have the moon playing a part. The only medium to harness lunar energy is water…without water you can’t have the life form. So therefore lunar energy is a prerequisite for life. In biodynamic agriculture, what you are doing is you are aligning with the natural rhythm of energies in the cosmos, rather than working against them.”

The conversion to biodynamic initially reduced Ambootia’s yield by about one-quarter, which was a huge cost. Certification by Demeter, unlike Fair Trade certification, imposed a large cost. However the resulting improvement in quality also enabled access to markets which paid much higher premiums, including high-end department stores. Continental Europe was the initial primary market. Ambootia became over time the largest exporter of black tea from India to both Germany and Japan. Low quality markets were of no interest, such as the British who drank 96 per cent of their tea in the form of tea bags, which employed cheap and mechanized cut, torn and curled tea. Bansal also innovated in marketing strategies. To raise margins, Bansal also abandoned the long-established practice since the colonial period of selling tea at auction, and sold teas directly to retailers, often fellow anthroposophists. He observed: “We don’t sell in auctions. We found clients who believe in the same philosophy and same system of agriculture as we do, and we sell directly to brand owners. So if I was to go through the auction system, my produce would get only four per cent of what the consumer pays. Now I get 10 per cent.”

As an anthroposophical capitalist, Bansal’s horizon was far from focused exclusively on profits. As Bansal noted, “Steiner talked about three-fold development. So one was the economic development, which is profitability. The second was the legal system and politics. And the third was cultural. All three are interdependent. The growth of one at the cost of the other leads to an unsustainable business
Bansal set aside 4 per cent of after-tax profit for social development. The company began building schools in the early 1990s, against the opposition of the (then) Communist state government which sought to keep full control over the content of education. Within twenty five years Ambootia operated 36 schools. Children were given uniforms, and educated in English:

“We also teach ecological sciences to these children, and we educate them on biodynamic agriculture at the school level as an additional subject. We have found that the level of harmony in the villages has increased tremendously, and we now have educated English-speaking workers picking tea leaves and doing farm work…. I wanted to share with them the same level of education in school that I have had, so we followed the Indian Central Board of Secondary Education standard. They are reading the same books as people read in the cities, It helps and serves as a staircase for them to go several floors higher in the communities of India, and it also helps them to become international – some of our students have even gone to German Universities to study. And once a child has finished high school and gets admission into a university, we have another scheme. To provide complete cost of university education. We have a couple of kids working in Google in Hyderabad now, who are from our estates. A lot of them work for hotels and the airline industry, and they all like to come back.”

After a decade of turning around and running the Ambootia estate, Bansal started buying “sick” tea estates elsewhere in Darjeeling. When an estate was acquired, Bansal personally visited workers in their homes, or called a village meeting, to explain Ambootia’s beliefs and strategy. Typically biodynamic methods were introduced immediately, with staff from other tea estates used to teach workers the new methods. The firm also acquired its first tea estates in Assam. The acquisitions were expensive was expensive, and made even more
expensive because of the three-year conversion period to go organic. At first Bansal borrowed from banks, an unusual step as debt was always avoided the Darjeeling industry. He then sought equity investment, attracting the Dutch pension fund and the Dutch-based ethical investing co-operative Oikocredit. There followed, Bansal later observed, “a bunch of anthroposophical investors from Europe.”

Bansal also operated at an industry-wide level. In 1996 he formed the first organic agricultural association, the Indian Bio Organic Tea Association, which worked to persuade the government of the need for organic standards. After the Indian government had an unsuccessful experience with Swiss advisers, Bansal worked with the government and eventually the first Indian organic standards were released in 2000. “Without making a big fuss about it,” Bansal noted, “we made the entire protocol of biodynamic standards part of the Indian organic standards… these are the only standards in the whole world that include the biodynamic system of agriculture.” In addition, he was Chairman of the Darjeeling Tea Association between 2005 and 2011.

Bansal’s achievements did not spare him from difficult situations. The region experienced severe climate change in the form of drought. In 2014 Rajah Banerjee, unable to persuade any of his family to continue the business, sold most his Makaibari tea estate to Luxmi Group, a large Indian conglomerate which manufactured carpets as well as controlled tea estates. He gifted his residual 12 per cent shareholding to the workers four years later. Ambootia was badly affected by a 100 strike in 2017 which closed down the entire region in protest at a decision by the West Bengal government to introduce Bengali as a compulsory subject in schools across the state, including in Darjeeling. The better living conditions provided to workers at Ambootia’s estates were no protection against the wider exogenous political content.
Despite recent travails, the case of Ambootia provides significant insights into the drivers and working of anthroposophical capitalism. The timing was right with the growth of organic consumers in Germany and elsewhere, and a framework of anthroposophical institutions in place. Bansal’s deep belief in anthroposophy drove him to take the risk of conversion to biodynamic agriculture, and to execute that conversion effectively through progressive engagement with his workers. He pursued a vision of capitalism in the Darjeeling tea industry which offered a stark alternative to prevailing conventional and exploitative forms. The methods produced a higher quality tea, which Bansal was able to market in Europe and elsewhere in part through anthroposophists. The anthroposophical community was also an important source of funds which enabled the expansion of the business.

**Thomas Harrtung, Aarstiderne and Danish Organic Food**

The second case study concerns the biodynamic food retailer Aarstiderne (The Seasons) in Denmark. Unlike Bansal in Darjeeling tea, Thomas Harrtung and his co-founder were not pioneers of the organic food market in Denmark. However there were common features in the growth of the two firms.

There was a long tradition of organic farming in Denmark, and a Biodynamic Association was founded in 1936. The predecessors of the anthroposophical Merkur Bank opened a small organic food retailer in 1974. However the organic food sector remained marginal before the consumer co-operative FDB (Fællesforeningen for Danmarks Brugsforeninger), which was one of the country’s largest retailers, began promoting organic food. In 1982 FDB began selling organic carrots, which were produced by a radical community of intellectuals and students, in response to the worries of their members about pesticides, which were very widely used in the country’s intensive agricultural system. Five years later FDB also
began selling organic milk, an important step encouraging parents that organic dairy products were good for children. In 1989 lobbying by FDB and organic farmers led to the Danish government establishing a Danish Organic Food Council, which led to the creation of the first official label for organic products. The red “Ø” label, which showed that a product was state-certified organic, became a significant force in Denmark, establishing the credibility of organic food products. In 1993 FDB’s Super Brugsen retail lowered the retail price of organic food products by up to 40 per cent. The cutting of prices drove sales of organic milk up nearly 500 per cent over the following few years. By 2000 between 2.5 and 3 per cent of the total Danish food market, which was the largest per capita consumption in the world at the time.85 Danish organic agricultural production also expanded rapidly, and faced much less confrontation from conventional farming: one factor was GMO was not permitted, which enabled – for example – collaboration between conventional and organic farmers in a way not possible in the United States.

By then Thomas Harrtung and his partner Soren Ejlersen had launched their organic food box start-up. Harrtung, like Bansal, had not wanted to be a farmer. In 1984, the 23-year old Harrtung inherited his parents’ farm in East Jutland, which they owned as a country estate as they lived and worked in Denmark’s capital city, Copenhagen, where his father was in business and his mother was a school teacher. Although he had studied at Copenhagen’s Agricultural University, Harrtung intended to work in an aid agency, but then his parents died early and unexpectedly. After taking over the farm, he introduced sustainable forest management, which he had studied at university, but farmed the rest of the farm conventionally, as he needed to service the considerable debt he had inherited. 86

Harrtung developed his farm as a seed producing farm, but increasingly became
concerned about the use of pesticides in the farm. In particular, he felt a dichotomy between this practice and his forest management practices which involved working closely with eco-systems. He began looking for an agricultural paradigm which would be similar to the sustainable forest paradigm. He looked for a system of which did not involve the use of pesticides, which took him to organic agriculture. Although there were at the time no subsidies to switch to organic, he found himself attracted to as “it involved selling something for a premium and having a development option rather than freezing the picture.” \(^{87}\) He launched the business in 1994 by selling organic seeds to dairy farmers. At his stage he had no formal relationship at all with the biodynamic movement. Indeed, during discussions with his bank and mortgage company, he later recalled assuring them that “I won’t be doing all sorts of black mumbo jumbo, and digging down horns at night.”\(^{88}\)

As Harttung engaged with the world of organic agriculture, he became exposed to a new set of ideas. At the annual Organic World Conference in Copenhagen in 1996 he heard a lecture by Michael Ableman, a Californian pioneer of the community-supported agriculture (CSA) movement. This movement had started in Switzerland and Germany during the 1960s when groups of biodynamic farmers and consumers began to form cooperative partnerships to promote ecologically sound and socially equitable agriculture. Growers and consumed shared the risks and benefits of production, as members paid at the outset of the growing season for a share of the anticipated harvest, which consumers received in vegetable box schemes. Biodynamic farmers had introduced the ideas into the United States in the 1980s. Ableman’s small farm outside Santa Barbara had become a role model for CSA. \(^{89}\) Harrtung was inspired by Abelman’s vision that box schemes could “short-circuit” the food industry by creating a direct link between farmers and the urban community. “The food industry takes away your hard work,” Harrtung
Harrtung decided to organize a co-operative known as the Barritskov Vegetable Garden in 1997, initially involving one hundred families from around the rural area which surrounded his farm. Soren Ejlersen, a chef, had set up a parallel garden nearer Copenhagen at Krogerup which Harrtung partly funded. However initial plans to build a network of such co-operatives, but the decision-making process proved difficult. The upshot was that Harrtung and Ejlersen merged their businesses into a company, which was launched as Aarstiderne (The Seasons) in 1999. The business focused on growing vegetables in Jutland and selling it in Copenhagen. They started by driving trucks of vegetables in wooden boxes to Copenhagen. From the start the boxes included a recipe, for the first two years written by Harrtung himself. This reflected that the customer base was, and continued to be, young professional couples with children, who were too busy to shop, but had an intuitive feeling that they should eat more vegetables to be healthy.

The initial business model had limitations. The cash flow was new customers coming in pay for their boxes, so it was possible to pay wages from the money from people who haven’t received their boxes yet. However as soon as growth slowed down, or the summer holidays came around, cash flows fell. “We took huge risks when starting Aarstiderne,” Harrtung later noted, “we knew nothing about retail or logistics and the operational side was very shaky in our early days. We thought we would become profitable quicker than we did. The cost of taking in customers and scaling business always exceeded the income we were getting from them.”

By 2000 they had realized it would take a couple of years to become profitable, so Harrtung approached venture capitalists. Attendance at organic conferences had provided connections to financial institutions interested in supporting organic agriculture. In 2001 Triodis
Bank, which had just set up the Triodis Venture Capital Fund, made its first investment when it took a 20 per cent stake in Aarstiderne in 2001, in return for $2 million plus some loans, which made it possible to grow the business. The transaction was unusual. There was an agreed buy back, five years later. In 2006, seeing that the venture capital fund wanted a higher return on investment, which Harrtung believed could not be achieved without selling to someone else, bought the shares back with the help of a specialized investment bank in Copenhagen. 93

Harrtung’s conversion to biodynamics also came through meeting people in the organic movement. “I have a curious nature,” he later noted. “When I decided to become organic, I asked who are the people I can learn from. I found out a bunch of interesting people out there. The (anthroposophical) movement takes pride in sharing its knowledge.” 94

Steiner’s views also fitted with Harrtung’s evolving spiritual development. He later observed:

“Becoming an organic farmer made three streams of consciousness come together. First, as a conventional farmer, I grew seed and had no idea what happened to it. Second, I was a foodie, and I would cook for my family, but this had nothing to do with my farming life, as I shopped for the food. Third, my spiritual existence, and relationship to God. They never touched each other. As an organic farmer, one gets to do all these things. Religion became important to me from my thirties. My family were not active church goers, and it was something I picked up. I was a New Age person who ended up thinking that his church picked up all the things others were saying, but in an excellent, high quality version compared to the next crank. Although I came from the New Age side, I very happily nested in the Lutheran Protestant Church. My religion became part of the gasoline for taking risk in the business as far as we possibly could. We are biodynamic farmers now and we believe there is a spiritual aspect to man and his interaction with land, sun
and rain. Most of the organic movement has an ego-centric origin, concerned with sinful man taking over the planet and messing it up and ultimately destroying it. Bio-dynamic farming has a more meta-centric approach, about man’s relationship to greater forces."

Hartung proceeded pragmatically as he built his biodynamic business. Aarstiderne as a business was not Demeter certified as, he observed, “we don’t want to shove it down people’s throats. You should not feel that you have to buy into the whole Steiner universe just because you want a vegetable box.” However the core Barritskov farm was Demeter certified, and other parts of the business received organic certification. It was a challenge to build the business, despite the capital received from Triodis, as being a virtual store made it hard to explain the firm’s intent to customers. From the start the firm made extensive use of Internet ordering, which Hartung found was far more efficient than phone calls, as emails could be answered overnight. The firm put special emphasis on taking advantage of social networking, describing customers as “members”, for example, and having a Conversation department rather than a call center or enquiries department.” Another attempt at forging relationships with consumers was less successful. An attempt to operate physical stores in Copenhagen between 2002 and 2005 proved unsuccessful. 97

By 2008 traction was underway, and revenues had reached $50 million. The number of boxes expanded, and content slowly diversified from fruits and vegetables to bread, fish, meat and even wine. The firm had expanded into Sweden and into Germany, only to be hit by the global financial crisis, when the Swedish currency was suddenly devalued by 30 per cent, and overall sales fell 15 per cent in one year. The firm still only had revenues of $45 million in 2013, but thereafter grew rapidly. In 2014 the connection with Triodis returned, when the newly established Triodos Organic Growth Fund took 20 percent in Aarstiderne. By 2018 revenues
had reached $100 million, and it was serving approaching 20 million meals a year.

As was to be expected from a company influenced by anthroposophist values, Harrtung and his colleagues sought a wider cultural role. While the original Barritskov farm increasingly focused on packaging rather than growing, it was used as a location for tours, children’s visits and dinners. The company organized a school children’s program at its Krogerup site aiming to educate about organic agriculture, nature and food.98

Thomas Harrtung, then, like Sanjay Bansal, was someone who embraced anthroposophy over time rather than starting his journey as a follower. His interest emerged from his growing engagement with ecological issues and organic food, and testified to the ability of Anthroposophical ideas to attract people initially skeptical. Like Ambootia, the launch of Aarstiderne was risky, but the risks were partly survived by the support of Triodis. Harrtung’s commitment to Anthroposophy was strong, but the business grew by not “shoving it down people’s throats.” This was also a noteworthy feature of a movement which sought to influence rather than to convert.

Conclusion

This paper has explored how followers of esoteric beliefs, primarily Anthroposophists have founded and developed successful modern business enterprises. An implicit assumption behind the research question is that believing in “black mumbo jumbo” and building viable modern business enterprises is incompatible. This is certainly the impression one gets from conventional business history literature. The builders of Chandlerian managerial hierarchies appear decidedly rational as they responded logically to changes in markets and technologies. It is hard to imagine managers watching for the moon and stars to come into alignment before creating an organization chart, or burying cow horns under mass production assembly lines. The
entrepreneurs described in neo-classical economics appear equally rational as they sought to maximize profits rather the spiritual understanding.

There are, however, different methodological perspectives which might suggest the more intriguing view that esoteric beliefs are less a handicap than a positive benefit in entrepreneurship. There might be no puzzle to be explained, therefore. The holders of esoteric beliefs might, for example, be better equipped mentally to take part in Schumpeterian-style creative destruction. People holding strongly normative are unlikely to be good at creating Schumpeterian “new combinations” of markets, products, processes and organizations, just as dropping out of college rather than graduating appears to be a better predictor of entrepreneurial genius. Thinking out of the box in beliefs might be an indication of capacity to think out of the box in business also. Certainly biodynamists were early in seeing both the need for, and potential market in, organic food, and they were prepared to take the risks necessary to build this new category.

It is straightforward to identify conventional reasons why some anthroposophists have succeeded in business. They may not have numerous, but there were network advantages, as also in the case of Freemasons, Mormons and Jains. These network advantages were quite formalized in the anthroposophical movement, as it proved skillful at creating institutions, including standards bodies and even banks. As part of a movement, even if a very small one, there was also a market for products and services which were provided, even if they cost more, and a willingness to deposit money at banks which paid below market rates. Pursuing anthroposophy offered no powerful monetary or prestige gains – followers were more likely to face ridicule for believing in “black mumbo jumbo.” As a result, as with Mormons and Jains, there was a low risk of entrepreneurs engaging in speculative or fraudulent activities, and a high
probability they would do business with integrity. This honesty would be an asset with customers and suppliers. Meanwhile the anthroposophist concern for whole communities, whether employees or customers, generated loyalty among other stakeholders. An outlook which combined a long-term vision with a willingness to experience low financial returns in order to do the right thing was an asset, so long as it was combined with appropriate entrepreneurial and organizational capabilities.

Another level of explanation for the longevity and growth of anthroposophical businesses is more controversial. Steiner’s views were considered outlandish in his time, and many would consider them even more outlandish today, given that his thoughts were expressed in the language and worldview of an early twentieth century Austrian. Yet it might also be argued that Steiner, amidst all the talk of goblins and dragons, also identified issues, and proposed solutions, to problems which have become more urgent over time, most significantly the ecological – and arguably spiritual - damage caused by industrial capitalism.

Certainly Steiner’s vision, and the practical solutions he proposed, appears to be growing in relevance rather than losing it. However odd the methods, biodynamic agriculture resulted not only in award-winning wines, but also offered a path away from soil erosion and many other ecological issues caused by intensive farming, and accelerating use of chemicals. While in recent years discussion of the contribution of conventional farming practices to carbon emissions and climate change has been recognized, the fundamentals of biodynamic farms work in the opposite direction.99 Waldorf schools’ emphasis on story-telling and creativity, including tight restrictions on the use of electronic equipment, has many critics. Yet the emphasis on encouraging creativity aligns remarkably well with the research of the cognitive scientist, Iain McGilchrist, who has explored the distinction between right side brain activity (imaginative,
holistic, future-oriented) and the left side brain activity (logical, analytical, past oriented, self-interested), and his belief that modern civilization has gone astray by over-emphasizing development of the latter. In his recent work, the distinguished environmental engineer and ecologist John R. Ehrenfeld has described a societal shift to emphasizing right brain activity as the only hope for human societies going forward, as technocratic and other solutions to ecological and social challenges have all failed. Waldorf schools now look more prophetic than anachronistic. Steiner may not only have been ahead of his own time, but ahead of our own time.

This line of thought would point to the relevance for business history as a discipline of looking at the relationship between esoteric beliefs and capitalism. Capitalism, most certainly the global liberal capitalism of recent decades, has resulted in a dire ecological crisis, and has created such divergences in wealth and opportunity between and within countries as to provoke radical political and social movements. It is increasingly understood that the so-called grand social challenges of the era require system-wide changes, not incremental ones. Historically there have been many alternative visions of how the capitalist system can operate. While some might be dismissed as utopian, the businesses inspired by Steiner made real products and delivered real services, whilst proposing a wholly different worldview. Business historians can do the present day a favor by looking at the past to find radical alternatives which can offer more sustainable futures.

Examining the relationship between esoteric beliefs and business may seem as esoteric in the business history literature as Rudolf Steiner’s view of the world is regarded in philosophy. It is certainly an unconventional topic. However hopefully it can also provide an example, like the other papers in this session, how the borders of the discipline can be expanded into new and
broader terrains in the study of business and society, and in the process contribute to making business history an innovative discipline to which other scholars pay attention.


9 There are now around 14 million followers of the Church, about half outside the United States.


Interview with Sanjay Bansal, Boston, May 30 2018.

Jones, *Profits*, p. 34.

Ibid, p.35.


Jones, *Profits*, p.36.

34 See Table 1 below.


43 Jones, *Profits*, p. 37

45 Jones, *Profits*, pp. 100, 236.


48 Frick interview.


50 Telephone Interview by Loubna Bouamane with Ibrahim Abouleish, October 5 2011.


54 Jones, *Varieties*, pp. 97-100.


58 https://www.wine-searcher.com/m/2014/02/the-drc-interview-aubert-de-villaine, accessed January 30 2019
62 Jones, Varieties, p.162.
68 Blythman, “The hottest.”
69 Koehler, Darjeeling, p. 161

Bansal interview.

Besky, *Darjeeling Connection*, pp. 115, 117.

Bansal interview.

Bansal interview.

Koehler, *Darjeeling*, p. 145.

Blythman, “The hottest.”

Bansal interview.

Bansal interview.

Bansal interview.

Bansal Interview

Bansal Interview.


Interview with Thomas Harrtung, Barritskov, May 22 2013. (hereafter Harrtung interview)
87 Harrtung Interview

88 Harrtung Interview

89 Jones, *Profits*, p. 196

90 Harrtung interview.

91 Harrtung interview.


93 Harrtung interview.

94 Harrtung Interview.

95 Harrtung interview.

96 Harrtung interview.

97 Harrtung interview.


