

SMALL IS BEAUTIFUL  
Economics as if People Mattered  
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This book emphasizes the inhumanity and the economic and social instability of our working conditions and lifestyles. The emptiness and impossibility of unlimited things, and the need for inward satisfactions should move us toward social justice. "poor countries slip, and are pushed into the adoption of production methods and consumption standards which destroy the possibilities of self-reliance and self-help." Urban intellectuals consider it "a gain, to turn all the world's farming into high-yield agri-industry, to depopulate the rural areas, and to crowd the cities into chronic breakdown...They...distort the incommensurable qualities of life, especially 'health, beauty, and permanence.'" The Volta River power project in Ghana, built with high interest American money, provides Kaiser Aluminum with long-term, very low price electricity, for export products, using little local labor. Egypt's Aswan dam provides far more power than needed, and blights agriculture and the ecology in many and perhaps insoluble ways. Puerto Rico is fast developing exports, but not many jobs or local consumption goods. Lavish tourist industries destroy the local industry and culture of poor countries, leaving them with only low pay service jobs. A small-scale, more decentralised labor-using organisation contributes to Japan's vigorous growth. Developed countries are robbed of nonrenewable resources, for such useless products as missiles, hair dryers and tape recorders, providing impressive "growth" statistics. We must consider "aspirations for creativity...which (standard) economics...only works to destroy."

The reason that pollution, environment and ecology have suddenly come into prominence is that within a few years mankind has produced more than was produced in all history, up to 1945; that a large percentage of the products are nondegradable; that our irreplaceable resources will not last a great deal longer, at anticipated consumption rates; and that there is no possible protection from catastrophic nuclear poisoning. The U. N. stated that in 1966, the rich used 14 times as much fuel per capita as did the poor. Gandhi: "'Earth provides enough to satisfy every man's need, but not every man's greed.'" The central concept of wisdom is permanence, incompatible with a predatory attitude. "Wisdom demands a new orientation... toward the organic, the gentle, the non-violent, the elegant and beautiful. ...how...could peace be built on a foundation of reckless science and violent technology?...We need methods and equipment which are-cheap enough so that they are accessible to virtually everyone;- suitable for small-scale application; and-compatible with man's need for creativity." Gandhi: "'there should be no place for machines that concentrate power in a few hands and turn the masses into mere machine minders, if indeed they do not make them unemployed.'" Aldous Huxley believed that if our aim were to make people self-employed or members of cooperatives, producing for local markets, there would be "'a progressive decentralisation of population, of accessibility of land, of ownership of the means of production, of political and economic power. ...a more humanly satisfying life for more people'"

Dorothy L. Sayers: "Never think that wars are irrational catastrophes: they happen when wrong ways of thinking and living bring about intolerable situations.'" "If greed were not the master of modern man...how could it be that the frenzy of economism does not abate as higher 'standards of living' are attained, and that it is precisely the richest societies which pursue their economic advantage with the greatest ruthlessness?...That soul-destroying, meaningless, mechanical, monotonous, moronic work is an insult to human nature which must necessarily and inevitably produce either escapism or aggression, and that no amount of 'bread and circuses' can compensate for the damage done-...(these facts) would condemn the central preoccupation of modern society as a crime against humanity." A cost/benefit analysis attempts to give a price to beauty, health and cleanliness-to measure the immeasurable. The assumption, "Growth of GNP must be a good thing, irrespective of what has grown and who, if anyone, has benefited" must be denied. "infinite growth in a finite environment is an obvious impossibility;" Buddhist economic planning would be for full employment. "the large-scale employment of women (mothers of young children in particular) in offices or factories would be considered a sign of serious economic failure... (Their) economics is the systematic study of how to attain given ends with the minimum means."

High transportation cost is uneconomic, and rational economics would produce from local sources, for local needs. Urban rulers have no feeling for the interrelationships of the ecosystem. Buddha enjoins a reverent attitude toward all sentient beings. (Our treatment of millions of livestock, laboratory and sport animals, and humans suffering detention is appalling.) THE CHALLENGE OF MAN'S FUTURE: "Thus we see that, just as industrial society is fundamentally unstable and subject to reversion to agrarian existence, so within it the conditions which offer individual freedom are unstable in their ability to avoid the conditions which impose rigid organisation and totalitarian control."

The polarisation of the U. S. into three megalopolitan areas, of sixty million each, one from Boston to Washington, one around Chicago, and one from San Francisco to San Diego, with largely deserted provincial areas, cultivated with heavy machinery and immense chemical use, is freely discussed. "in the pre-industrial era...The basic requirements of life had to be indigenously produced...But now everything and everybody has become mobile. ... all structures are VULNERABLE...Economics...absorbs almost the whole of foreign policy. ... It tends to absorb the whole of ethics and to take precedence over all other human considerations. ...Lima...had a population of 17 5,000 in the early 1920s...now approaching three million...infested by slums, surrounded by misery-belts that are crawling up the Andes. ... a thousand a day (arrive)...AND NOBODY KNOWS WHAT TO DO ABOUT THEM. ...there is no hope for the poor unless there is successful regional development...covering all the rural areas wherever people happen to be. ... (We need to) fight against misery and human degradation... in intimate contact with...individuals, families, small groups, rather than states and other anonymous abstractions. ...If economic thinking ...cannot get beyond its vast abstractions, the national income, the rate of growth, capital/output ratio, input/output analysis, labour mobility, capital accumulation;...and make contact with human realities of poverty, frustration, alienation, despair, breakdown, crime, escapism, stress, congestion, ugliness, and spiritual death, then let us scrap economics and start afresh." TOPSOIL AND CIVILISATION: "when (man's) environment deteriorates rapidly, his civilisation declines." Man has ruined from ten to thirty civilisations (depending upon classification). We should hold sacred, and not destroy those things that we did not and cannot create. The Intermediate Technology Development Group gives technical assistance to the Third World, helping people utilize their own resources and labor, becoming economically independent, with small capital outlay. Developed countries must turn to the same methods, to save themselves.

(Justice Louis D. Brandeis correctly believed that, without favors, a business would attain its optimal size. DEMONOPOLIZATION IS BEAUTIFUL. Political Economy is only free trade, both domestic and foreign. Direct and indirect favors, taxes and restrictions create monopolies, robbing the many, to give unearned income to the few outside the field of economics. We should end favoritism and discrimination as fast as possible. As a vital start, ground rent, created by nature and community development, should be fully assessed by the community, which is entitled to it. Current gross underassessments favor landholders, at the expense of producers, who must be taxed, to make up the loss. The retained unearned rental, furthermore, is capitalized as a sale price, and the high speculative pricing of this factor of production (land), anticipating growth, ensures perpetual mass unemployment, with its long chain of consequent evils. Full assessment, ending the basis for more than a nominal sale price and speculation, would make all sites available at their true rental value, this equalization of production costs guaranteeing a perpetual surplus of work opportunities. Everyone, without discrimination, can then select his preferred type of work, preferred organization, and obtain the equivalent of his production, at the level of skill of which he is capable, automatically reversing current trends, irrespective of official action. If people, or all sentient beings mattered to us as much as to Buddha or the author, we should solve our problems with representative mediation, to a consensus, checked, if necessary, with PSE or polygraph tests, and enforced with political and economic boycotts by cooperating activists, supporting the best advice available on all matters. Clean power of all kinds must be developed by those interested, not by those opposed. Every aspect of government should be checked by grass roots ombudsmen, to make it honest and humanitarian.)