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THE WISDOM OF E. F. SCHUMACHER

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THE WISDOM OF E. F. SCHUMACHER

At present the wisdom of the economist and environmentalist E. F. Schumacher (1911-1977) seems more relevant than ever. We have just experienced, and globally many are still suffering from, what some have labeled the Great Recession. President Obama's chief economic adviser, Larry Summers, described the origins of it this way: "An abundance of greed and an absence of fear on Wall Street led some to make purchases—not based on the real value of assets, but on the faith that there would be another who would pay more for those assets. At the same time, the government turned a blind eye to these practices and their potential consequences for the economy as a whole. This is how a bubble is born. And in these moments, greed begets greed. The bubble grows. . . . In the past few years, we've seen too much greed."¹ In the 1970s Schumacher had already declared that "present-day industrial society everywhere shows this evil characteristic of incessantly stimulating greed, envy, and avarice."²

In 2009 the U.S. House of Representatives passed the American Clean Energy and Security Act of 2009 in order "to create clean energy jobs, achieve energy independence, reduce global warming pollution and transition to a clean energy economy."³ In early 2010, however, still experiencing the aftershocks of the Great Recession, Americans no longer placed as much emphasis on environmental problems. A March 2010 Gallup poll indicated that for the second straight year, after two decades of saying the reverse, a majority thought that economic growth should take precedence over environmental protection. Gallup also found that by 2010 Americans' concerns about many environmental issues were the lowest they had been in twenty years.⁴ Perhaps because U.S. senators realized Americans' priorities, they had made little headway in passing any legislation that could be reconciled with the House bill.

Yet, in late April 2010 several newsworthy events occurred that reminded us of the importance of the type of environmental causes that Schumacher championed. The first occurred on April 20, when an oil blowout occurred in the Gulf of Mexico. This was less than a month after President Obama announced plans in future years to open up new areas including some in the Gulf to more "offshore oil and gas exploration." His justification was as follows, "Given our energy needs, in order to sustain economic growth and produce jobs, and keep our businesses competitive, we are going to need to harness traditional sources of fuel even as we ramp up production of new sources of renewable, homegrown energy." In the blowout eleven lives were lost, the rig collapsed, and within a few days oil began leaking at an alarming rate. In the first three weeks of the spill millions of gallons spewed forth, attempts to stop the gushing failed, and the oil

¹ From a speech of March 13, 2009 at the Brookings Institution, http://www.brookings.edu/~media/Files/events/2009/0313_summers/0313_summers_remarks.pdf. All web sites referred to in this essay were accessed between January 1 and May 15, 2010.

²E. F. Schumacher, *Good Work* (New York: Harper & Row, 1979), 27.

³ <http://www.govtrack.us/congress/bill.xpd?bill=h111-2454>.

⁴ <http://www.gallup.com/poll/126788/americans-firm-prioritizing-economy-environment.aspx>;

headed ever closer to the Louisiana shore, threatening to cause unprecedented environmental damage.⁵

As this environmental tragedy was unfolding, Ukraine's president, speaking on the 24th anniversary of the world's worst atomic accident at the Chernobyl nuclear power station, stated that one of the reactors there remains a serious threat to Ukraine, Belarus, Russia, and the rest of Europe. The president claimed that around 2 million people suffered from illnesses caused by the accident, and some non-governmental organizations have estimated that the 1986 accident has already caused hundreds of thousands early deaths. Early in May a *New York Times* op-ed essay from a former CIA official warned that our nuclear plants are not nearly as safe from terrorist attacks as we think they are.⁶

Already in the 1950s Schumacher had been warning the world, and especially the United States, of the dangers of an over-reliance on fossil fuels like oil. Not only was he concerned about exhausting non-renewable resources, but he also decried the increasing pollution that accompanied escalating economic growth and consumption. He was concerned with the types of air and water pollution that Rachel Carson wrote about in her 1962 book, *Silent Spring*, including “the pollution entering our waterways [that] comes from many sources: radioactive wastes from reactors, laboratories, and hospitals; fallout from nuclear explosions; domestic wastes from cities and towns; chemical wastes from factories. . . . chemical sprays applied to croplands and gardens, forests and fields.”⁷ But he was even more concerned about the attempts of industrial nations to deal with their growing appetite for energy not by cutting back on its consumption or relying more on energy alternatives like solar power, but by turning to nuclear energy. He thought that such a shift would just shift the energy shortage problem to a different level, one that produced “environmental hazards of an unprecedented kind.” He concluded that “no degree of prosperity could justify the accumulation of large amounts of highly toxic substances [nuclear materials] which nobody knows how to make 'safe' and which remain an incalculable danger to the whole of creation for historical or even geological ages.”⁸

But Schumacher was wise not just because he identified sooner than most experts certain economic and environmental problems still troubling us today, but more importantly because he realized that applying wisdom was necessary if we hoped to solve such problems. In his 1973 collection of essays, *Small Is Beautiful*, he wrote:

The exclusion of wisdom from economics, science, and technology was something which we could perhaps get away with for a little while, as long as we were relatively unsuccessful; but now that we have become very successful, the problem of spiritual and moral truth moves into the central position. . . .

⁵ Obama's comments are at <http://www.nytimes.com/2010/04/01/science/earth/01energy-text.html>; Al Gore's "The Crisis Comes Ashore," *The New Republic*, May 8, 2010, at <http://www.tnr.com/article/politics/the-crisis-comes-ashore> provides an early assessment of the oil spill and other results of over dependence on oil.

⁶ Charles Faddis, "Al Qaeda's Nuclear Plant" <http://www.nytimes.com/2010/05/06/opinion/06Faddis.html?scp=1&sq=faddis&st=cse>.

⁷ *Silent Spring*, Fawcett Crest Book ed. (Greenwich, CN, 1964), 44.

⁸ E. F. Schumacher, *Small Is Beautiful: Economics as if People Mattered* (New York: Perennial Library, 1975), 28-29, 145. It can also be downloaded from <http://www.prime-download.com/download.html?aid=0650000&file=Small%20is%20Beautiful%20-%20E%20F%20Schumacher%20pdf>.

. . . Ever-bigger machines, entailing ever-bigger concentrations of economic power and exerting ever-greater violence against the environment, do not represent progress: they are a denial of wisdom. Wisdom demands a new orientation of science and technology towards the organic, the gentle, the nonviolent, the elegant and beautiful.⁹

In his final book, *A Guide for the Perplexed*, completed shortly before his death, he stated right off that his book would be an exercise in philosophizing, which he equated with the seeking of wisdom. He quoted with approval Socrates' observations that "philosophy begins with wonder" and that the ignorant do not seek wisdom because "he who is neither good nor wise is satisfied with himself."¹⁰ Since the time of the mathematician and philosopher René Descartes (1596-1650), Schumacher believed, Western civilization had displayed little interest in pursuing wisdom.

He, however, attempted to apply wisdom to numerous aspects of twentieth-century life, not only to economics and the environment, but to science, technology, culture, education, religion, and the relations of rich nations to poor nations. We shall return later to his ideas, but first some biographical and historical background is necessary.

The Life and Times of E. F. Schumacher

Childhood and Youth

The paternal grandfather of Ernst Friedrich Schumacher (or Fritz as his family and friends called him) had once been the German Ambassador in Bogota, Columbia and later the German Consul in New York.¹¹ Fritz's father, Hermann, thus spent part of his youth abroad before returning to Germany. After completing his education, he taught at several universities, including Columbia University, where he spent a year as an exchange professor. He also served for a while as one of the tutors to the sons of the German Emperor and collected economic information in the Far East. When he was already over forty, he married a much younger woman, Edith Zitelmann. Before he had left for Asia, she had already given birth to twins, a boy and a girl named after their parents, and Fritz would be born only about a year later in 1911. By then Fritz's father was back at Bonn University, where he was a distinguished economics professor. In his relations with his wife and children, Hermann was authoritarian and dogmatic. Less so was Hermann's brother, Fritz, after whom young Fritz had been named. This uncle whom his nephew admired was an expert on the great German writer Goethe (1749-1832) and a

⁹ Ibid., 33-34.

¹⁰ E. F. Schumacher, *A Guide for the Perplexed* (New York: Harper & Row, 1977), 6-7.

¹¹ For most of the biographical detail on Schumacher, I am indebted to Barbara Wood [his daughter], *E.F. Schumacher, His Life and Thought* (New York: Harper & Row, 1984). The book is available online at <http://www.smallisbeautiful.org/Wood%20bio/index.html>.

professor of architecture and town planning. By the time of his death in 1947 some considered him the “old master” of German urban planning.”¹²

In 1917, the year the Russian communists came to power and the United States entered World War I, the Schumacher family moved to Berlin, where Fritz’s father began teaching economics at Berlin University. Although the family was able to buy a big house of their own in a nice suburb, times became increasingly difficult in the German capital. During the last year of the war and beyond the Schumachers, like many other Berliners, suffered from food shortages. Once the war ended the family, which by the end of 1922 also included a younger sister and brother for Fritz, took in various lodgers to help meet expenses. One of them was an Indian related to great poet Rabindranath Tagore, who in 1913 had been awarded the Nobel Prize in Literature. During the German inflation crisis of 1923, when the German mark plummeted to one-trillionth of its prewar value, Professor Schumacher was one of the economists who advised the government and, according to him, helped solve the crisis.

As a schoolboy at a prestigious gymnasium, Fritz early displayed a brilliant mind and an interest in the humanities. Being more advanced than many of his schoolmates, he was sometimes bored and mischievous. Outside the classroom, he read much, occasionally wrote satirical verses, and acted and wrote plays for the school’s drama society. One long play he set in twelfth-century Germany, and local newspapers commented favorably upon it. By the time he graduated from the gymnasium in 1929, he was restless, uncertain about the meaning of his life, and eager for new challenges and opportunities.

During the remainder of 1929 and for most of 1930, he attended university lectures, first in Bonn and then, after several months in England, back in Berlin. While still in Bonn he wrote to his sister Edith, with whom he often shared his feelings, that he was playing a great deal of tennis and learning some English. But health problems also plagued him including boils, headaches, eczema, and asthma. Nevertheless, it was during this period that his interest in economics intensified. Not only his father’s work, but also the tumultuous economic times he lived in—the war and postwar deprivations, the hyper-inflation of 1923, and the beginnings of the global Great Depression in 1929-1930 — probably also sparked his interest. In Bonn, so too did the lectures of one of the great economists of his time, Joseph Schumpeter.¹³ And in England it was John Maynard Keynes, one of the twentieth century’s most influential economists, who fueled his growing fascination with the field. After meeting with Fritz, the eminent economist invited him to attend the seminar he gave for select students at Cambridge University. During World War II, Fritz would have further dealings with Keynes, who died in 1946 but continued to influence him for decades afterwards.¹⁴

¹² Jennifer Jenkins, “Of Parks and Theaters: Conceptions of Urban Space in Fritz Schumacher’s Hamburg,” in *Patriotism, Cosmopolitanism, and National Culture: Public Culture in Hamburg 1700-1933*, ed. Peter Uwe Hohendahl (Amsterdam and New York: Rodopi, 2003), 208.

¹³ His *Capitalism, Socialism and Democracy*, first published in 1942, soon became an economics classic, published in numerous editions. An excellent new book on him is Thomas K McCraw’s *Prophet of Innovation: Joseph Schumpeter and Creative Destruction* (Cambridge, MA: Belknap Press of Harvard University Press, 2007).

¹⁴ See, e. g., Charles H. Hession, “E. F. Schumacher as Heir to Keynes’ Mantle,” *Review of Social Economy* 44, no. 1 (1986): 1-12. Robert Skidelsky’s *John Maynard Keynes: 1883-1946: Economist, Philosopher, Statesman* (New York: Penguin, 2005) is a long, but abridged, edition of the same author’s highly praised

Study and Work Abroad, 1930-1934

By the end of 1929, Fritz was back in Germany. But he spent less than a year in Berlin before returning to England in late 1930—this time to Oxford University as a Rhodes Scholar.¹⁵ Most of the next four years, Fritz would spend at Oxford and then in New York. The most notable exception was the summer of 1931, when he returned to Germany to work at a banking firm in Hamburg. At Oxford, his studies did not go as well as he had hoped. Although he distinguished himself well enough, he was dissatisfied that he had to study such subjects as the British Constitution and Latin. But he pursued an active extra-curricular life, and in the spring of 1932 he was elected president of the Bryce Club, which devoted itself to discussing international affairs and listening to distinguished speakers on the subject. He also gave occasional talks on the situation in Germany and tried to explain the growing appeal of Adolf Hitler, whose Nazi Party had by mid-1932 obtained far more delegates than any other party in German Reichstag. Schumacher was critical of Hitler, but blamed Allied postwar reparations and other economic and political policies imposed on the defeated Germans for creating much of the German dissatisfaction from which Hitler benefitted.

In late September 1932, after a brief stay in Canada, Fritz arrived in New York with the intention of studying banking at Columbia University. “I find New York glorious, comfortable, wonderful, interesting, stimulating—everything,” he wrote soon after his arrival.¹⁶ At Columbia, where his father had once taught, he discovered another economist who stimulated his thinking. Although Professor H. Parker Willis would never gain the renown of Schumpeter and Keynes, Fritz had much more contact with him. And the present chairman of the U.S. Federal Reserve, Ben Bernanke, has spoken of Willis “as an important figure in the early history” of that institution.¹⁷ Fritz impressed Willis to such an extent that the professor arranged for him to do some teaching at Columbia during the fall of 1933 and contribute a chapter to a book he was preparing.¹⁸

Some of Fritz’s father’s former connections also helped him mix comfortably into the New York business and social scene, where his intelligence, good looks, and cosmopolitan background made him an attractive bachelor. He found several young women to his liking, and was able to find other jobs besides his teaching one to help him survive in the midst of the Great Depression. One task was preparing background papers for the U.S. Congress on the stock market crash, and in early 1934 he worked in various departments at Chase Bank.

His abilities and successes, however, seem to have inflated his ego. When in the summer of 1933 he and three other foreign students set out in two old cars and a tent to discover America, one of his companions found him unbearable at times due to his know-it-all attitude and witty putdowns of them. But their 10,000 mile trip in 50 days, ending in California, took them through almost all the states, and broadened Fritz’s understanding

three-volume biography of the great economist whose ideas seemed more relevant than ever amidst the Great Recession of 2008-09.

¹⁵ Bill Clinton was among the many later significant Rhodes scholars.

¹⁶ Quoted in Wood, 42.

¹⁷ <http://www.federalreserve.gov/boarddocs/speeches/2004/200403022/default.htm>.

¹⁸ Schumacher’s essay on “Inflation and the Structure of Production” can be found in H. Parker Willis, John M. Chapman, and Columbia University, *The Economics of Inflation: The Basis of Contemporary American Monetary Policy* (New York: Columbia University Press, 1935), 398-416.

of the country in the beginning of President Franklin Roosevelt's attempt to deal with the Great Depression.

The Return to Germany

By this time, however, Hitler was in power in Germany, and Fritz was increasingly concerned about his family and others in this tumultuous period. On April 1, 1934, he left New York and returned home to see for himself what more than a year of Hitler's government had produced. He did not like what he saw, and he disagreed with his father's advice to make the best of the situation and cooperate with the new regime, which his father pointed out had come to power legally. Fritz was especially upset with all the German intellectuals whom he believed had sacrificed their quest for truth in order to appease the Nazis. One individual he did not place in that category was his future brother-in-law, Werner Heisenberg, who had won the 1932 Nobel Prize for Physics and in 1937 married Fritz's younger sister Elisabeth. That same year Heisenberg was criticized in a Nazi publication for acting like a Jew. After first meeting him in 1937, Fritz commented that he seemed to be "a man who embodies much of the best of Germany."¹⁹ But, as we shall see, he differed with Fritz on how best to maintain one's integrity in Nazi Germany

The previous year Elisabeth had been one of the bridesmaids at Fritz's own wedding to Anna Maria Petersen (Muschi to her friends). She was a fun-loving, warm, spontaneous, and compassionate woman, much shorter than the tall, thin Fritz. She also differed from him in being "utterly unintellectual."²⁰ Her father was a prominent Hamburg businessman who owned an import/export company, and her large and friendly family was a beehive of activity.

By the time of his marriage, Fritz had realized that he probably would never earn the academic degree in Germany that he had hoped to complete when he first returned to Germany. Despite earning some Nazi good will and a distinguished medal for bravery in 1935 because he saved a man from drowning, who turned out to be an important Nazi, Fritz was not willing to make the moral compromises necessary to successfully complete his education.²¹ After a little over a year of having no steady employment but working on his own grandiose, but eventually fruitless, plan to solve the German unemployment problem, he finally came across a job opportunity that interested him. It was work with a Berlin trading syndicate run by some energetic young men including Muschi's twin brother and two Jews who were in the process of leaving the company and Germany itself because of Nazi anti-Semitism. Fritz was upset about the increasing discrimination against Jews and resigned from a club when he heard anti-Semitic remarks directed

¹⁹ Quoted in Wood, 97.

²⁰ Ibid., 72.

²¹ For good overviews of how and why so many Germans supported Hitler, see Robert Gellately, *Backing Hitler: Consent and Coercion in Nazi Germany* (Oxford: Oxford University Press, 2001); Richard J. Evans, *The Coming of the Third Reich*, *The Third Reich in Power*, and *The Third Reich at War* (New York: Penguin, 2003/2005/2009); and Peter Fritzsche, *Life and Death in the Third Reich* (Cambridge, MA: Harvard University Press, 2008). A brief bulleted list of reasons Germans supported Hitler can be found in Richard Goff, et al., *The Twentieth Century and Beyond: A Global History*, 7th ed. (New York: McGraw-Hill, 2007), 231-32.

against Erwin Schüller, one of the two prominent Jews running the syndicate. Nevertheless, he joined the firm in August 1935, about a year before his marriage.

By the end of 1936, however, the newly married Fritz decided he had to leave a Germany he found increasingly distasteful despite the good money he was making and the economic recovery that Hitler was overseeing. At first he hoped to work for the syndicate abroad but instead accepted a job as an investment adviser to George Schicht, the head of firm in London that had done business with his former employer. In early 1937 Muschi, who was very attached to her warm German family, reluctantly joined Fritz in London to begin their foreign life together.

Life in England, 1937-1945

Fritz already had friends in England including some from his student days at Oxford and Erwin Schüller, who had recently accepted a London job after anti-Semitism had driven him from Berlin. In August 1937 Muschi gave birth to their first son, Christian, who in succeeding years would become the big brother to another brother and two sisters. The new father was delighted. His general idealistic and optimistic mentality in late 1937, when England was still facing hard economic times at home and a rearming Germany abroad, can be seen by a letter that he wrote to the *Spectator* in November. He noted that although Christianity might not offer a solution to contemporary problems, “great philosophers, artists and statesmen,” as well as the example of Christ himself, offered encouragement. As Christ’s life indicated, he wrote, “We shall not get out of all this so-called mess . . . unless we live for something more than ourselves.” He then added:

Let never the height of an ideal or the magnitude of a task be a deterrent to anybody to do his share of it, be it small or large. . . . There is a need for help everywhere. We can make life worth living for the unfortunate. . . . A long and difficult path leads up to the ideals which shall give direction to our life.²²

According to his daughter’s biography he, unlike Muschi (a devout Protestant), was not a Christian at the time, but was inspired by writers and philosophers such as Goethe, Schopenhauer, and Nietzsche. When he first came to America, books by the Spaniard José Ortega y Gasset and the German humanitarian and scholar Dr. Albert Schweitzer were among his most valued possessions.²³

Meanwhile, neither he nor his employer was satisfied with their relationship, and they mutually agreed to Fritz’s resignation in late 1939. When he had advised in March 1939 that Schicht should move his investments out of Europe because war was on the horizon, his boss had ignored this prediction that proved true six months later. The job that had generated Fritz’s greatest enthusiasm was helping to manage a plan that Schicht had agreed to help finance—producing battery-driven vehicles. But after considerable effort this plan that would have reduced British dependence on foreign oil never materialized. The times, with international tensions rising, were not ripe for such an idea.

²² Quoted in Wood, 91-92.

²³ *Ibid.*, 41, 92-93. Books by, and sometimes about, these authors in Schumacher’s personal library can be found by following the instructions at <http://www.smallisbeautiful.org/library.html>. Ones by and about the great German writer J. W. von Goethe (1749-1832) are especially plentiful.

Nor were they favorable for German citizens like the Schumachers as tensions increased and finally led to war after Germany invaded Poland on September 1 and Great Britain and France declared war on Germany two days later. By late 1939, Fritz was not only without regular employment but like other German citizens was considered an “enemy alien.”

Before and during the war he spent numerous hours considering and discussing the fate of Germany and the best course for Germans to take. Before the war Muschi frequently visited her family back in their home near Hamburg, and Fritz himself joined her in Germany for a brief stay in the spring of 1938. He disagreed with his famous brother-in-law, Werner Heisenberg, who believed that staying in Germany without compromising one’s principles was the best course. Fritz also disagreed with Adam von Trott, a fellow German who along with Fritz had studied at Oxford. Von Trott decided to remain in Germany during the war and wait for an opportunity to rid his country of Hitler—unfortunately, Von Trott was later executed for being involved in a July 1944 plan to assassinate him.

In 1940, it was a good friend of both Von Trott and Schumacher who came to Fritz’s rescue. This was David Astor, a member of one of England’s most prominent families, whom Fritz had met at Oxford. In January of that year Muschi had given birth to their second child, John, and Fritz desperately needed a job and somewhere to live—the government had declared their neighborhood on the outskirts of London off limits to such aliens as the Schumachers. Astor arranged for Fritz and his family to settle into a cottage on his uncle Robert Brand’s estate in a lovely area, Eydon, between London and Birmingham, where Fritz could help with the farm work. Despite the crowded conditions in the small primitive cottage, where the four Schumachers were soon joined by two young Jewish girl refugees, it seemed like a good idea. Fritz admired Brand, who had graduated from Oxford and had extensive economics and business experience. Before Fritz had much time to settle in, however, the government decided to round him and many other Germans up and intern them. In mid 1940, he was sent to a barb-wired camp, Press Heath, near the Welch border. He would remain there about three months before the efforts of Muschi, who remained at Eydon, and some of his high-placed English friends were able to persuade the government to allow him to return to Brand’s estate.

Despite the depressing conditions of the camp and an early illness that he contracted in it, Fritz eventually made the best of a bad situation. He had always been concerned with developing his mind and skills, and he came to view the camp as a great educational opportunity. One of his fellow internees was a German Marxist from whom he learned much more than he already knew about Marxism, which led him to rethink some of his earlier economic ideas. After being elected camp leader, Fritz worked energetically to improve both the sanitation and food quality. Much about his personality at this time, including the tendency toward excessive self-regard observed by one his road-trip acquaintances in 1933, can be seen in his letters to Muschi. In one he wrote, “You would be amazed to see what a marvelous reputation I enjoy here in the camp,” and he added that “this time will be useful to us later on. What does not kill us makes us stronger.” Later, in early September, he wrote: “My position, without any rights and with plenty of duties, is very difficult, but good training. My method of ‘ruling’ which is based on human kindness and persuasion, seems somewhat strange to the ‘military mind.’”²⁴

²⁴ Quoted in Wood, 110, 112.

After he returned to his family and the cottage at Eydon, some of the local people were unhappy to have this German back in their midst until Brand allayed suspicions at a public gathering. Once the air had been cleared, a happy period of about a year and a half followed for the Schumachers, who came to enjoy their rural existence. Fritz enjoyed the physical labor along with other farm workers and the chance to learn more about agricultural life; Muschi's warm personality won her friends among the local villagers; and the country air and spaciousness was good for the boys. Of course, Fritz's mind was seldom still, and he continued to pour out ideas. Some for improving farm operations he conveyed to Brand, who soon after Fritz's return left to do war-related work in the United States. Fritz's fellow farm workers, however, were less receptive, often wishing to stick to their more traditional ways.

But Fritz was also concerned with bigger problems. As his daughter later wrote, "he became a man with a mission, a man who believed that he had the ability to make a major contribution to making the world a better and safer place."²⁵ David Astor and some of his other friends sent him books, and he occasionally bought more himself on trips to Oxford. At night in their cabin, after a full day's work, he followed up his new-found interest in Marxism by reading many Marxist works. For a short period he even thought of himself as a revolutionary socialist, and he became increasingly critical of Christianity. But he also wrote to Astor, "I am pretty sure that my nature does not allow me to embrace wholeheartedly as 'final' any political creed or system, any 'ism' or any panacea." And a little later during the war he wrote that "the Left is as stupid as the Right."²⁶

He came to the conclusion that one of the major causes of modern war was a failed global trade and exchange system, and he began typing a proposal that would establish an international clearing office to facilitate postwar multilateral trade. He sent the proposal to Astor among others, who sent a copy to his uncle Brand, who in turn sent a copy on to the man Fritz considered England's leading economist—John Maynard Keynes. The previous year (1940), Fritz had briefly corresponded with this man who had so impressed him on his first trip to England in 1929. In October 1941, Fritz received a letter from Keynes saying that he had read Fritz's proposal, was working on a similar idea, and would appreciate seeing any further work that Fritz did on the proposal.

After further correspondence, in which Keynes politely discouraged Fritz from publishing his ideas, Keynes invited him for a visit. The meeting took place in December, the same month the USA entered World War II. As Fritz later described it to a friend, the meeting took several hours and involved a lively exchange of ideas. Although the two men agreed on almost all their ideas, Fritz believed his approach was more multilateral, though he admitted that Keynes had worked out more technical details. Fritz was confident that they had parted on the friendliest of terms.

On December 9, just two days after the Japanese attack on Pearl Harbor, Fritz received a letter informing him that his seventeen-year-old younger brother, Ernst, had been killed on the Russian front. For some time Fritz had been dismayed that Ernst had been an enthusiast for the Nazi cause and had volunteered for service. The tragic acceptance of the Nazi program by so many Germans, which had upset Fritz for many years, now assumed an even more personal dimension.

²⁵ *Ibid.*, 120.

²⁶ Quoted *ibid.*, 136, 154.

In March 1942 he received permission to leave Eydon and take a job at the Oxford Institute of Statistics. His proposal for an international clearing office and his meeting with Keynes became known, and he was invited to discuss his plan with high government officials, one of whom kept Keynes informed of Fritz's latest thinking. Keynes again commented favorably, and Fritz planned to publish his plan in an economics journal. But in April 1943, a month before Fritz's article was set to appear, Keynes "Proposal for an International Clearing Union" was published. The following year Keynes came to the United States to participate at the Bretton Woods Conference, where delegates from 44 nations discussed Keynes' proposal and others. After several weeks of discussion, a U.S. "White Plan" became the main basis for the delegate's "Final Act of the United Nations Monetary and Financial Conference, which included charters outlining the aims and mechanisms of both the IMF [International Monetary Fund] and IBRD [World Bank]." But Keynes' ideas also were reflected in the charters which established these important postwar institutions. To what extent Keynes' thinking was influenced by the ideas Schumacher shared with him remains murky, and the IMF and World Bank were not exactly what Fritz had in mind when he sketched out his ideas in the early 1940s. But he was at least thinking along similar lines to the world's leading economists about how to structure postwar trade and finance. According to Fritz, Keynes, before his death in 1946, named him as one of the two British economists most capable of continuing the Keynes' legacy.²⁷

For most of 1942 while working at the Oxford Institute of Statistics Fritz lived alone in Oxford while Muschi and the two boys remained in Eydon. His letters to Muschi reflect his "arrogant contempt" for many of his co-workers, and in his daughter's biography she refers to this period in his life as "one of the least attractive."²⁸ Only toward the end of 1942 did he find an adequate place for his family to rejoin him, after which his mood seems to have improved.

Meanwhile, he had taken to freelance writing for the weekly newspaper *The Observer*, run by David Astor and his family, and other publications, and his name was becoming better known. Important politicians sometimes sought him out for advice, and he was a major contributor to William Beveridge's *Full Employment in a Free Society* (1944). Two years earlier Beveridge had written *Social Insurance and Allied Services*, later referred to as the Beveridge Report, which helped lay the groundwork for the postwar British welfare state. Schumacher also wrote several radio plays for the BBC dealing with employment. His connection with Beveridge, who cared deeply about alleviating and preventing poverty, helped infuse Fritz's economic thinking with more moral concern.

Working in Postwar Germany

As World War II in Europe neared its end in the spring of 1945, Schumacher's thoughts turned more to how postwar Germany should be reconstructed. He was able to return to Germany soon after its surrender and assess the damage the war had wrought. By June of

²⁷ See the U.S. State Department document "The Bretton Woods Conference, 1944," at <http://history.state.gov/milestones/1937-1945/BrettonWoods>. Wood, 128-35, discusses the Keynes-Schumacher contacts in the years 1940-46.

²⁸ Wood, 152.

1945, he was there for several months before returning to England. His job was to work on the U.S. Strategic Bombing Survey headed by a U.S. team that included economist John Kenneth Galbraith. The Survey's Summary Report stated that the Survey's plan "provided for 300 civilians, 350 officers and 500 enlisted men. The Survey operated from headquarters in London and established forward headquarters and regional headquarters in Germany immediately following the advance of the Allied armies," and that by late September 1945 "some two hundred detailed reports were made, including an Over-all Report."²⁹

By late summer 1945 Fritz was back in England, and the family settled into a newly-bought house in London. He hoped soon to return to Germany as a member of the British Control Commission that had been set up to oversee the British zone of control in Germany. But before this could happen he had to obtain British citizenship. Meanwhile, he earned some income writing articles. Finally, in early April 1946, he received word that his citizenship request had been granted, and a month later he was back in Germany. First in Berlin and then, after mid 1948, in Frankfurt, Fritz remained in Germany except for occasional trips, for example to Paris, until the spring of 1950. Muschi and the family, now including a infant daughter, Barbara, born soon after Fritz left for Germany in 1946, joined him in 1947 and returned to England in May 1950, not long after he had arrived back in London.

Fritz's four years in Germany were momentous time for it. When he first returned to his native land, it, as well as Berlin itself, was divided into four postwar zones overseen by the USA, USSR, Great Britain, and France. By the time he left in 1950, the three Western zones had been united, and an independent West German government under Konrad Adenauer had come into being in mid 1949. While Fritz was there the Cold War had developed; the Berlin Blockade and Airlift had occurred; the Truman Doctrine and Marshall Plan had been declared; and the first signs of the West German economic recovery (later known as "the economic miracle") had begun. As an economic adviser to the British Control Commission and later to a more united Western Allied occupation and then advisory authority, he took part in numerous discussions which helped determine West Germany's fate. In 1950 the *Financial Times* of London noted that he was "regarded as one of the most able men on the staff of the British Control Commission."³⁰

But Fritz's opinions and recommendations were often ignored or contested. In this period of his life, he was a democratic socialist and a supporter of Britain's Labour Party, and for West Germany he desired a more socialist future than did U.S. policy makers and Germany's Christian Democratic Union (CDU), whose leader was Adenauer. In January 1947, he wrote to Muschi, still in London, about a two-hour meeting that he had with the elderly Adenauer (already in his early seventies), trying to convince him of the need to socialize West German coal, steel, and iron. Fritz described the meeting as a "magnificent duel." And he added, "We parted most amicably. I hope the results will be as desired."³¹ But Adenauer proved to be more conservative than Schumacher realized.

This and other letters to Muschi reveal that he still had a high opinion of his own ideas and often revealed little tolerance for opposing views. Although he did recognize Adenauer's abilities, he told Muschi that as a result of their meeting he thought that the

²⁹ A 1987 reprint of the report was available at the [Air University Press web site](#) in early 2010.

³⁰ Quoted in Wood, p. 217.

³¹ *Ibid.*, 197.

CDU leader “became slightly doubtful in some of his most dogmatic opinions; in any case he realized that he was up against a pretty tough customer.”³² Because his recommendations were often not accepted and because the bureaucratic situation became more complex as the British gradually exercised less control in West Germany, he was happy eventually to leave Germany and return to England.

The Schumachers’ postwar time in Germany did give them time to reconnect with their family members who had remained there during the Nazi years. Since Fritz arrived first, he wrote to Muschi about his encounters with his family, and after she arrived she was able to spend considerable time with her family near Hamburg, where her father had become mayor. Both Fritz and she witnessed many tragedies. Because he arrived first and part of his job with the Strategic Bombing Survey was to help document the devastation, he observed more of the immediate postwar suffering.

Although neither of their parents had been Nazis, they had disapproved of Fritz and Muschi’s decision in 1937 to resettle in England. In each of their German families, different members took differing positions on cooperating with the Nazi government. Fritz’s dad wrote a biography of Fritz’s younger brother, Ernst, who had supported the Nazis and been killed on the Russian front in 1941. Fritz lamented that his parents believed that Ernst had sacrificed himself for a noble cause. His sister Edith’s husband, on the other hand, had been critical of the Nazis and been court-martialed as a private for his political opposition. Muschi’s father had been less willing to show displeasure with Nazi ways than had her mother, who left her house in silent protest on special days when her husband insisted it would be too risky not to hoist there the Nazi flag as was expected of loyal citizens. After the war, Muschi’s dad, now the Hamburg mayor, indicated his willingness to forgive Fritz for having earlier abandoned his native land.

Back in England and an Intellectual Transition

In the spring of 1950, Fritz began work as Chief Economic Adviser to the National Coal Board (NCB), which had come into being after the postwar Labour government had nationalized the coal industry. By 1964 the NCB employed more than a half million people. In postwar Germany Fritz had come to realize how important coal and energy generally were to European economic health, and he was eager to help prove that a socialized industry could be run in a humanized and economically efficient manner.

He arrived back in London before Muschi, who was reluctant to leave Germany, where she had renewed close ties with her family. The death of one of her sisters in late 1947 had prompted her to do all she could to help her parents care for her sister’s children, to whom she felt a special obligation. Only her stronger commitment to Fritz and his career finally led her to return to England. The family moved into a newly-bought house in Caterham, in the southern part of Greater London, but a forty-minute train journey from central London’s Victoria Station, near which the NCB had its headquarters. The family remained there the rest of Fritz’s life. It was large enough for him to have a room for a study and each of the children to have a room of their own, even after the birth of Virginia, the last of the four children, in 1951. The Schumachers’ new house also had a four-acre garden, and Fritz soon became a passionate gardener. Muschi,

³² Ibid.

however, was less enthusiastic about the house, believing that it was too isolated and lacking warmth. Nor was she as delighted with the garden, not caring for all the work, especially the weeding, that it entailed.

During the early 1950s, Fritz's work at the NCB was not as rewarding as he had hoped it might be, especially after February 1951, when the Deputy Chairman of the NCB, Sir Arthur Street, died. He had been the strongest higher authority at NCB to value greatly the efforts of Fritz, who thought this boss "was goodness and wisdom personified."³³ Later that same year the Conservatives, not as sympathetic to nationalized industries, took over the government from the Labour Party, creating more anxiety. Nevertheless, Fritz worked hard at gathering facts with the goal of trying to recommend ways to increase coal production, for demand continued to far outstrip supply. He also began to think on a more global scale about energy use and the problem of the "exhaustion of non-renewable resources," a phrase he used already in 1954.³⁴

In this and other respects the early and mid 1950s marked a transition from the secular rationalistic Schumacher of his early years to a man increasingly interested in environmental and spiritual questions, a man who by the 1970s had become one of the heroes of the counter cultural movement.³⁵ There were two stimuli that aided this transition, one was his gardening and the second was the reading he did, especially on his daily train commute to his office in central London.

Not long after buying their new home and garden, Fritz engaged in organic gardening and joined the Soil Association, which advocated it—from 1971 to 1977 he would be president of the association. Its web site describes its early history thus:

The Soil Association was founded in 1946 by a group of far-sighted individuals who were concerned about the health implications of increasingly intensive agricultural systems following the Second World War. Their principle concerns were:

- The loss of soil through erosion and depletion
- Decreased nutritional quality of intensively produced food
- Exploitation of animals in intensive units
- Impact of large intensive farming system on the countryside and wildlife.³⁶

In a letter to his sister Edith in November 1951, we can already see how Fritz was moving toward a "counter-cultural" lifestyle. He told her that he was spending much time in the garden and also baking bread. He added, "In many ways our house is an oasis in the desert of today's civilization. . . . We try not to let ourselves be pulled into all the useless hokus pokus."³⁷

His readings in the early 1950s included works on Asian religions and philosophy, Gandhi's ideas, and various books dealing with mysticism and the occult.

³³ Ibid., 226.

³⁴ Ibid., 241.

³⁵ See, e.g., Theodore Roszak's Introduction to Schumacher's *Small Is Beautiful*, 1-9; Roszak was the author of *The Making of a Counter Culture: Reflections*, Anchor Books ed. (Garden City, NY, 1969).

³⁶ <http://www.soilassociation.org/Aboutus/Ourhistory/tabid/70/Default.aspx>.

³⁷ Quoted in Wood, 223.

Passages that he read like the following helped lead to a complete reevaluation of his approach to knowledge:

The present crisis in human affairs is due to a profound crisis in human consciousness, a lapse from the organic wholeness of life. There is a tendency to overlook the spiritual and exalt the intellectual. . . . The business of intellect is to dispel the mystery, put an end to dreams, strip life of its illusions, and reduce the great play of human life to a dull show, comic on occasions but tragic more frequently. The primitive cults which helped their adherents to live healthily and happily on their own plane are dismissed as crude superstitions. Everything is stripped of soul, of inner life.³⁸

To his parents, he wrote, “Through this contact with Indian and Chinese philosophy and religion, my whole way of thinking has come into motion. New possibilities of knowledge (and experience) have been opened to me of whose existence I had no inkling I have the feeling that I will look back to my forty-first year as a turning point for the rest of my life.”³⁹

An examination of Schumacher's final book, *A Guide for the Perplexed*, written shortly before his death in 1977, indicates how perspicacious he was in the early 1950s, for it emphasizes that a rational-scientific approach to knowledge and life is incomplete and it quotes approvingly many thinkers whom he discovered in this earlier period. One of them was John Bennett (1897-1974), who had an estate in the south London vicinity and who had headed the British Coal Utilisation Research Association. He attempted to integrate scientific research with the philosophic and esoteric ideas of G. I. Gurdjieff (d. 1949) and his one-time pupil P. D. Ouspensky (1878-1947). Bennett was especially influenced by the time he spent with Gurdjieff on trips to Paris in 1948 and 1949. Even more influential on Fritz's thinking was British psychiatrist Maurice Nicoll (1884-1953), author of the multi-volume collection *Psychological Commentaries on the Teaching of Gurdjieff and Ouspensky*. Nicoll was also the author of *The New Man: An Interpretation of Some Parables and Miracles of Christ*, and he attempted to reconcile the teachings of Gurdjieff with those of Christianity. Fritz suggested to his mother that she and he work together to translate *The New Man* into German.⁴⁰

In April 1953, he wrote to her about trying to apply Gurdjieff's ideas: “The crux of the matter—and that of all other ‘schools of wisdom’ is the method of allowing a deep inner stillness and calmness to enter,—a stillness not only of the body, but also of thoughts and feelings. Through this one gains an extraordinary strength and happiness.”⁴¹ In 1953 Fritz also met Edward Conze, an Anglo-German Buddhist and scholar whose book *Buddhism: Its Essence and Development* had come out a few years earlier (and remains in print today). Conze also taught a course on comparative religions and Fritz often attended his lectures, sometimes accompanied by Muschi, until they ended in 1958. Although a generation older than Fritz, the two men had much in common. Conze had been educated in Germany, even done post-doctoral studies at the University of Bonn; opposed Nazism and left Germany for England; had gone through phases of being a

³⁸ S. Radhakrishnan, *Eastern Religions and Western Thought*, 2d ed. (New York: Oxford University Press, 1959), 38; Wood, 229, quotes this passage without a page reference from the 1st ed. (1939).

³⁹ Quoted in Wood, 230.

⁴⁰ For more on Gurdjieff, Ouspensky, Bennett, and Nicoll, see links to them at <http://www.gurdjieff.org/bibliography4.htm>.

⁴¹ Quoted in Wood, 232.

Marxist enthusiast and then an ardent British socialist; and finally devoted the last few decades of his life to translating and writing Buddhist works. Several of them had the word “wisdom” in the title, and Fritz’s increasing concern with Eastern wisdom owed something to Conze’s influence.⁴²

In 1954 Fritz received an invitation from the government of Burma to spend several months in that Asian country giving economic advice to its government. After the NCB agreed to grant him the necessary leave, he left for Burma in early January 1955. He liked what he saw of the Burmese people and their Buddhist ways. He admired them for being happy with the simple things of life, but he feared that the U. S. economic advisers there would divert them from their simple path. Gandhi’s economic ideas, he thought, would be more appropriate ones for Burma to examine.⁴³ Already in February 1955 he wrote a paper entitled “Economics in a Buddhist Country.” In it he insisted that a country’s economics should reflect its thinking on the purpose of life and that Western economics was based on a materialistic view incompatible with Buddhism or any other spiritual approach. Burma’s economics he thought should first be based on creating sufficient goods and services for its people, but not excessive materialistic goods. Secondly, it should be based primarily on renewable resources. “A civilization built on renewable resources, such as the products of forestry and agriculture, is by this fact alone superior to one built on non-renewable resources, such as oil, coal, metal, etc. This is because the former can last, while the latter cannot last. The former cooperates with nature, while the latter robs nature. The former bears the sign of life, while the latter bears the sign of death.”⁴⁴

By the time he returned to England that April, what he witnessed of Burmese Buddhist life had further stimulated his intellectual and spiritual transformation. While there he spent many weekends at one of Burma’s best Buddhist monasteries receiving meditation instructions and training. By the time he left, he believed he had found a new clarity and peace. “I came to Burma as a thirsty wanderer,” he reflected, “and there I found living water.”⁴⁵

After returning from Burma, he told one of his friends who owned a vegetarian restaurant that he had become a Buddhist, but he soon began emphasizing that all the great religions had comparable contemplative and mystical traditions. Conze’s lectures on comparative religions that he and Muschi continued to attend and Maurice Nicoll’s earlier attempt to reconcile Gurdjieff’s ideas with Christian ones also helped Fritz realize some of the similarities that existed among the major religions. So he decided to read more of Christian mystics and leading Western religious thinkers such as the medieval theologian St. Thomas Aquinas and one of the leading twentieth century experts on him, the French Catholic Jacques Maritain.⁴⁶ Before the decade was out he was indicating in talks and print his belief that scientific realism was not the last stage of human development, but that a higher state of consciousness was possible and desirable. He also

⁴² See, e.g. Conze’s *The Way of Wisdom: The Five Spiritual Faculties* at <http://www.accesstoinight.org/lib/authors/conze/wheel065.html>.

⁴³ See the section below on “Economics and Industrial Society” for more on Schumacher’s economic ideas.

⁴⁴ Quoted in Nancy Jack Todd, “E. F. Schumacher, an Appreciation,” at http://www.smallisbeautiful.org/about/biographies/schumacher_full_bio.html.

⁴⁵ Quoted in Wood, 252.

⁴⁶ On Maritain, see the Stanford Encyclopedia of Philosophy entry on him at <http://plato.stanford.edu/entries/maritain>.

maintained that some type of creator was behind the universe, that it had not just evolved accidentally. His economic thinking displayed enough religious influence for one critic to charge that he was a “Catholic economist,” a charge he denied—he did not become a Catholic until 1971.

In 1959 he proposed giving a course of a few dozen lectures at London University on “Crucial Problems of Modern Living.” And after overcoming bureaucratic red tape, he taught the course during the 1959-60 academic year. In 1961 and again in 1965, he gave a smaller number of lectures on a similar theme at London’s Imperial College. These series of lectures reflected his concern with the type of problems he would deal with in his final book, *A Guide for the Perplexed*. Like the great Russian novelist Leo Tolstoy many years before, he wished to explore “What is the meaning of Life? How should one live?” Many of the answers he would give by 1965 were ones he gave later in his two major publications of the 1970s.⁴⁷

Family Changes and Work in the 1960s

From Christmas 1959 until May 1960 Muschi was often sick and finally diagnosed with cancer of the intestines and liver. Fritz, but not Muschi, was told there was not much hope. She spent several of her final months before her death in October back at her family’s home near Hamburg. Fritz spent part of the time in Switzerland with their two daughters—Muschi did not want them to see her decline—and then, as Muschi’s condition worsened, he was often with her in Germany. Their two sons, both older, were away from both parents much of the time. During her final days, she demonstrated great spiritual strength, which Fritz observed with great admiration.

As Muschi’s health declined, she and Fritz relied increasingly on an eighteen-year old Swiss *au pair*, Vreni Rosenberger, to help with their daughters and other household chores—their two boys were by then older than Vreni. In January 1962, on the way back from the Protestant church where he had taken his oldest daughter, teen-aged Barbara, as Muschi had once done, Fritz told her that he was going to marry Vreni (thirty years his junior) the following day. A little later he wrote to his mother, telling her of the marriage and that Barbara—who had been very close to Muschi—was opposed to it but that his sons approved.

In the years to come, Fritz and Vreni would have four children of their own, two boys and two girls, just as he had had with Muschi. In her biography of her father, despite her initial opposition to Fritz’s remarriage, Barbara speaks well of Vreni and displays no ill will toward her half brothers and sisters. When considering Fritz’s wisdom, we shall examine more closely his conduct as a husband and father with each of his two wives.

The period between Muschi’s death and Fritz’s remarriage also brought an important change in his work life. In early 1961 Alf Robens became chairman of the NCB. He was “a big, jolly man, a supreme extrovert” with “boundless self-confidence, vigour and strength of feeling.”⁴⁸ For a while during the 1950s, he had been considered a

⁴⁷ We shall examine in more detail Schumacher’s thinking on these and other questions when we examine his wisdom.

⁴⁸ Terry Pattinson and Glen Amara, “Obituary: Lord Robens of Woldingham,” *The Independent*, 29 June, 1999, <http://www.independent.co.uk/arts-entertainment/obituary-lord-robens-of-woldingham-1103125.html>.

leading Labour candidate for prime minister, and he valued Fritz's opinions and talents more highly than had the previous chairman. In 1963, he displayed his commitment to something Fritz had emphasized for years—statistics and increasing efficiency. He added a new position to Fritz's responsibilities as Economic Adviser, when he made him Director of Statistics. In 1967, Fritz also became Director of Planning. Partly due to his efforts, coal worker productivity increased notably during the 1960s. But British governments, whether Conservative or Labour, emphasized oil and nuclear energy more, lessening the demand for coal. As this occurred, hundreds of thousands of workers lost their jobs. Robens and Fritz criticized the government approach, insisting that it was a mistake to become too dependent on foreign oil.

During the 1960s Fritz also spent considerable time as a trustee and then board member to the plastics and polymers company Scott Bader Commonwealth. Its founder, Ernest Bader, had turned over the company to its employees, and Fritz was intrigued with this experiment in democratic ownership.

During this same decade Fritz also visited various foreign countries. In the late 1950s he had met in London a leading follower of Gandhi in India, J. P. Narayan. He had been impressed by Fritz's Gandhian approach to economics and eventually helped persuade him to come to India on several occasions. His first brief trip to Poona (Pune) in January 1961 was to deliver a paper on "Paths to Economic Growth" at an international conference. In November and December 1962, he came for a much longer six-week trip, traveled around India, and provided advice to Indian economic planners. The following year he went to Japan with Robens and a few others and observed the Japanese coal industry. Then, after coining and popularizing the term "intermediate technology" in the early and mid 1960s, he was often invited in the late 1960s to less developed countries where governments thought his ideas might be applicable. His basic insight, which he had gained during his 1962 trip to India, was that technological development in poorer countries must be appropriate to people's ability to make good use of it to improve their lives. In 1966 he and several like minded friends founded the Intermediate Technology Development Group (ITDG) to help put his ideas to work (see the section below on "On Scientific and Technological Development" for more on his thoughts regarding these subjects).

In 1967, 1968, and 1969, Fritz's trips to Third World countries included Peru, Tanzania, and Zambia successively. On the first two trips, he took daughter Barbara along, met with the president of each country, and observed economic life in the capitals and beyond. Between Tanzania and Zambia, he also visited the USSR in August 1968. In Zambia, on the southwestern border of Tanzania, he met with President Kenneth Kaunda, with whom he had a long and amicable conversation. In 1970, accompanied by Barbara's younger sister, Virginia, he visited the Republic of South Africa and three other south African countries that had recently received independence: the Republic of Botswana, the Kingdom of Lesotho, and the Kingdom of Swaziland. This time the invitation came from South Africa's Christian Institute, which asked him for advice on black development in the Bantustans. These were recently-created and theoretically self-governing black territories within South Africa, which were to allow for "separate development" in

keeping with apartheid. The real effect was more comparable to what would have happened in the United States if segregated Southern blacks around 1900 would have been placed on reservations. Being more concerned with relieving poverty and encouraging economic development than with South African politics, Fritz offended some people by not being more vocal in expressing his abhorrence of apartheid.

Work, Family, and Fame in the 1970s

In 1970 Fritz decided to retire from his full-time job with the Coal Board, and remain only as a part-time Statistics Department adviser. Around the same time he also agreed to be a paid consultant to the Scott Bader Commonwealth. But the main task he set for himself was to write two books, which he eventually did before the end of the decade. The first to appear was *Small is Beautiful: Economics as if People Mattered* (1973), and the second was *A Guide to the Perplexed* (1977). By the time the second was published, his first book, containing a series of essays, had earned him great fame and global appeals for a chance to hear him lecture or meet with him. While on a lecture tour of the United States in early 1977, he accepted an invitation to meet with Jimmy Carter in the White House on March 22.

In Fritz's personal life an important event occurred in September 1971, when he followed the example of his wife, Vreni, and his oldest daughter, Barbara, and became a Catholic. After years of spiritual seeking, from his atheistic stance during World War II, through his interest in the esoteric ideas of G. I. Gurdjieff and P. D. Ouspensky and enthusiasm for Buddhist ideas, followed by a through reading of Christian mystics and philosophers, he had finally accepted a religion that he would adhere to for the rest of his life.

His new faith was tested the following year when Vreni was diagnosed with the same illness that had taken the life of his first wife—cancer. Fritz asked himself why it should strike again. Fortunately, however, it did not prove fatal, and after an operation the still youthful Vreni made a full recovery. Two years later, in 1974, while he was on a lecture tour in the United States, she gave birth to James, their fourth and final child.

He was often gone during these years of fame. Besides trips to the USA, Canada, and various European countries, he also spent time in other parts of the world including India, Indonesia, Australia, the West Indies, and Pacific Islands. Besides giving lectures and advice to various audiences, groups, governments, and businesses, he received honorary degrees and other awards—thereafter, he was often referred to as Dr. Schumacher, though his degrees were only honorary. In addition to conversing with President Carter, he also met with other political leaders such as Indian Prime Minister Indira Gandhi and Jerry Brown, the California governor, who advocated many of his ideas.

Vreni, however, was concerned that he was doing too much. In late 1976, as she was returning with him to London from the United States, he collapsed at the airport, unable to move his legs. But after recovering within a week, he renewed his hectic pace. In February 1977 he returned to the USA for a six-week lecture tour, sometimes speaking before crowds numbering into the thousands. In July, he was off to Indonesia and Australia.

In an Australian forest, he narrated a 43-minute film about deforestation called “On the Edge of the Forest.” Thanks to modern technology, which he emphasized could be a blessing or curse depending on how we used it, we can see and listen to him on our computers today as he speaks to us just months before his death. He stands amidst trees, waters, and singing birds—but also walks to areas of cut-down trees, bulldozers, and abandoned logging equipment. His message is the same as he had delivered for years: humans must respect nature and live in harmony with it. The film ends as he walks across an open field toward the forest and the final words of his Epilogue to *Small Is Beautiful* are spoken.

Everywhere people ask: “What can I actually do?” The answer is as simple as it is disconcerting: we can, each one of us, work to put our own inner house in order. The guidance we need for this work cannot be found in science or technology, the value of which utterly depends on the ends they serve; but it can still be found in the traditional wisdom of mankind.⁴⁹

After being with his family back in England during August, celebrating his sixty-fifth birthday, and receiving the first copies of his new book, *A Guide for the Perplexed*, he left on September 2 for a week-long lecture tour in Switzerland. Two days later, however, after giving a speech in Caux, he collapsed on a train to Zurich. It was stopped at a small town, where he was taken to a hospital. But it was too late. He was pronounced dead on arrival.

At the end of November, thousands of people gathered at Westminster Cathedral in a memorial service to celebrate his life and accomplishments. Among those present were members of Parliament, the US Ambassador to the UK, and various dignitaries from other countries. Violinist-conductor Yehudi Menuhin provided some of the music, and Jerry Brown was among the speakers. The California governor said that Fritz was “a man of utter simplicity who moved large numbers by the force of his ideas and personality. He challenged the fundamental beliefs of modern society from the context of ancient wisdom.” The next day *The Times* of London wrote an editorial piece that stated:

There has never been any shortage of prophets and preachers asserting that mankind is moving in the wrong direction, that the pursuit of wealth does not necessarily bring happiness, that a renewal of moral and spiritual perception is necessary if disaster is to be avoided. From time to time one of these prophets evokes a response which tells as much about the time in which he lives as about the message he brings. Dr Fritz Schumacher . . . was such a one.⁵⁰

⁴⁹The film can be viewed at <http://www.littlepaperboats.com/fivetotwelve.html>. The words in *Small Is Beautiful* are on p. 297, minus the word “one” in the second line above which is spoken in the film.

⁵⁰ Quotes from Brown’s speech and *The Times* are taken from “The Education of E. F. Schumacher,” at <http://distributist.blogspot.com/2007/01/education-of-e-f-schumacher.html>. On some of his honorary degrees and awards, see Wood, 323, 352-53, 360.

Schumacher's Wisdom

Schumacher's wisdom is best displayed in his writings and talks of the 1970s. And he was wiser in his final decades than earlier in his life. But he was always a seeker after truth, an important quality that most wise people share. One wisdom scholar has written:

Wisdom, maturity, and happiness seem to go hand in hand with figuring out how life and the world work — with discovering the nature of the rules, laws, and programming that dictate what will happen under what conditions. Wise people know that the more deeply and accurately they come to understand key processes within and without, the better able they are to live their personal lives in harmony with what is happening moment-to-moment. Wise people want to find out. Wise people are reality seekers.⁵¹

In *A Guide for the Perplexed* Schumacher described how difficult it was for humans to learn how to live properly.

Not only are they utterly helpless when they are born and remain so for a long time; even when fully grown, they do not move and act with the sure-footedness of animals. They hesitate, doubt, change their minds, run hither and thither, uncertain not simply of how to get what they want but above all of *what* they want.

Questions like "What should I do?" or "What must I do to be saved?" are strange questions because they relate to *ends*, not simply to means. No technical answer will do, such as "Tell me precisely what you want and I shall tell you how to get it." The whole point is that I do not know what I want. Maybe all I want is to be happy. But the answer "Tell me what you need for happiness, and I shall then be able to advise you what to do"—this answer, again, will not do, because I do not know what I need for happiness. Perhaps someone says: "For happiness you need wisdom"—but what is wisdom? Or: "For happiness you need the truth that makes you free"—but what is the truth that makes us free? Who will tell me where I can find it? Who can guide me to it or at least point out the direction in which I have to proceed?⁵²

We have seen above that Schumacher thought of himself as "as a thirsty wanderer" before his trip to Burma in 1955. Even though he believed that he had "found living water" there, mainly in Burma's Buddhist ways, in some ways his spiritual quest continued until he became a Catholic in 1971. This preliminary treatment of his wisdom, however, leads us to the question of its relationship to his philosophic and religious beliefs.

⁵¹ Copthorne Macdonald, Ch. 1 of *Toward Wisdom: Finding Our Way to Inner Peace, Love & Happiness* (Bloomington, IN: AuthorHouse, 2001); this chapter is available online at <http://www.wisdompage.com/tw-ch01.html> and the whole book can be downloaded at <http://www.wisdompage.com/twdown73462.html>.

⁵²*Guide*, 6.

Wisdom, Spiritual Beliefs, and Values

Both philosophy and religion are closely linked to wisdom in various traditions. The term philosophy itself comes from the two Greek words *philos* (love) and *sophia* (wisdom). We have seen that Schumacher became interested in Eastern religions, especially Buddhism, during the 1950s, and these religions also place much emphasis on wisdom. The ancient Hindu book *The Bhagavad-Gita* tells us “there is no purifier in this world like wisdom. . . . The man who is full of faith obtaineth wisdom, and he also who hath mastery over his senses; and having obtained wisdom, he goeth swiftly to the supreme peace.” Buddhist scriptures declared that obtaining perfect wisdom was the key to achieving blissful Nirvana, that state where suffering and individual craving and dissatisfaction ceased to exist. The Chinese religions of Confucianism and Taoism also placed great emphasis on achieving wisdom.

The other major religions also valued wisdom. The Jewish *Bible* (the Christians’ *Old Testament*) contains both a book of *Wisdom* and one of *Proverbs* that begins with nine chapters on “the value of wisdom” and contains statement like, “Wisdom is better than rubies; and all the things that may be desired are not to be compared with it.” Islam’s most revered holy book, *The Koran*, displays a similar appreciation for wisdom, for example, “God is Boundless, Aware. He grants wisdom to whom He pleases, and whoever is granted wisdom, he indeed is given a great good”⁵³ The Christian tradition also valued wisdom.

In the Christian *New Testament*, however, we come across words that indicate that Christians, and many practitioners of others faiths, might have some problems accepting any wisdom outside their own religious tradition. In his first Epistle to the Corinthians, Paul wrote that “‘it is written, ‘I will destroy the wisdom of the wise, and will bring to nothing the understanding of the prudent.’ Where is the ‘wise man’? . . . Hath not God made foolish the ‘wisdom’ of this world? . . . The Greeks seek after wisdom; but we preach Christ crucified. . . . The foolishness of God is wiser than men; and the weakness of God is stronger than men.”

In other essays, I have made clear my conviction that tolerance, including religious tolerance, is an important attribute of wisdom.⁵⁴ How then can such a view be reconciled with a statement like Paul’s that suggests that anyone not accepting “Christ crucified” cannot be truly wise? If Paul’s words really mean that—and we’ll leave that up to Biblical scholars to determine—then I would disagree with Paul. But the issue is complex and leads us to questions such as: What is wisdom? Are their degrees of wisdom? Can religious beliefs lead us to greater wisdom?”

The definitions of wisdom are many. For the convenience of readers, however, let us note here that the Oxford English Dictionary (2d ed., 1989) defines wisdom as “the capacity for judging rightly in matters relating to life and conduct; soundness of judgment in the choice of means and ends.” A leading wisdom scholar states that “wisdom is not just about maximizing one’s own or someone else’s self-interest, but about balancing various self-interests (intrapersonal) with the interests of others (interpersonal) and of

⁵³ Editions of the religious books of various religions can easily be found online. For the *Koran*, see, for example, <http://quod.lib.umich.edu/k/koran/>.

⁵⁴ See, e.g., my essay on “Goals, Values, and Wisdom,” at <http://www.wisdompage.com/GoalsValuesandWisdom.html>.

other aspects of the context in which one lives (extrapersonal), such as one's city or country or environment or even God."⁵⁵ In other words, to be wise in the fullest sense of the term one has to be so in regard to one's personal life (one's work, one's leisure), family, friends, environment, and community, whether local, national or, international. Wisdom scholars make such points as the following: "The world is not divided into wise and unwise people. None of us is perfectly wise or totally unwise," and each "wise person's wisdom . . . [has] a distinctive character."⁵⁶ Also, wise people, like all other humans, have their imperfections and moments when they fail to act as wisely as they might. Thus, there *are* degrees of wisdom.

There also is a general agreement among wisdom scholars that wise people can exist in various cultures and among people of various religious or non-religious beliefs.⁵⁷ Just because a non-believer like Russian physicist and human rights activist Andrei Sakharov can be considered wise does not mean, however, that religion cannot lead to greater wisdom. Schumacher certainly believed that it did, but his religious beliefs were tolerant of other religions besides the Catholicism he converted to late in life.⁵⁸

In *A Guide for the Perplexed*, he comments that "the traditional wisdom of all peoples in all parts of the world . . . [has] become virtually incomprehensible to modern man." He states that "traditional wisdom, including all the great religions, has always described itself as 'The Way' and given some kind of awakening as the goal." He frequently refers to other religions or quotes varied religious thinkers and mystics like Buddha, the Muslim Sufi poet Rumi, Lao-tzu (founder of Taoism), as well as Christians like the medieval Thomas Aquinas and older Western philosophers such as Socrates, Plato, Aristotle, and Plotinus. He even includes writers like Dante and Shakespeare as "outstanding representatives" of traditional wisdom.⁵⁹ By the final decades of his life, he had concluded that "it may conceivably be possible to live without churches; but it is not possible to live without religion, that is, without systematic work to keep in contact with, and develop toward, Higher Levels than those of "ordinary life" with all its pleasure or pain, sensation, gratification, refinement or crudity—whatever it may be."⁶⁰

⁵⁵ Robert J. Sternberg, *Wisdom, Intelligence, and Creativity Synthesized* (Cambridge University Press, 2003), 152. I have also quoted Sternberg and amplified my view of wisdom at <http://www.wisdompage.com/MossPortraitsIntro.pdf>.

⁵⁶ Copthorne Macdonald, "Playing the Wisdom Game," at <http://www.copmacdonald.com/wisdomgame.html>.

⁵⁷ To take just a few examples of some twentieth-century wise people I have researched, Schumacher and the French philosopher Gabriel Marcel were both converts to Catholicism; Nelson Mandela was raised in a Methodist tradition and stated in his autobiography that he is a Christian; Bengali poet Rabindranath Tagore was a Hindu; poet Carl Sandburg once said of himself: "I am a Christian, a Quaker, a Moslem, a Buddhist, a Shintoist, a Confucian, and maybe a Catholic pantheist or a Joan of Arc who hears voices. I am all of these and more. Definitely I have more religions than I have time or zeal to practice in true faith." (See my "The Wisdom of Carl and Paula Sandburg, at <http://www.wisdompage.com/SandburgEssay.pdf>, p. 20). Andrei Sakharov was an atheistic humanist (on Sakharov and religion, see my "The Wisdom of Andrei Sakharov," at <http://www.wisdompage.com/SakharovEssay.pdf>, pp. 37-38, 40).

⁵⁸ In his personal library Schumacher had several books reflecting the ecumenical ideas and tolerance of the Russian philosopher Vladimir Soloviev (Solovyev); see the catalog at <http://www.smallisbeautiful.org/library.html>.

⁵⁹ *Guide*, 8, 13, 46-48, 63-66, 69-72, 88-89, 131. Many of his quotes can be found in Whitall N. Perry, *A Treasury of Traditional Wisdom* (London: Allen & Unwin, 1971), a book that was in his library.

⁶⁰ *Guide*, 139.

Although he had worked out his philosophy of life through his own wide reading and reflection, Schumacher's *Guide* sets out a philosophy in many ways similar to the Perennial Philosophy described by Aldous Huxley:

More than twenty-five centuries have passed since that which has been called the Perennial Philosophy was first committed to writing; and in the course of those centuries it has found expression, now partial, now complete, now in this form, now in that, again and again. In Vedanta and Hebrew prophecy, in the Tao Teh King and the Platonic dialogues, in the Gospel according to St. John and Mahayana theology, in Plotinus and the Areopagite, among the Persian Sufis and the Christian mystics of the Middle Ages and the Renaissance—the Perennial Philosophy has spoken almost all the languages of Asia and Europe and has made use of the terminology and traditions of every one of the higher religions. . . . It is only in the act of contemplation, when words and even personality are transcended, that the pure state of the Perennial Philosophy can actually be known. The records left by those who have known it in this way make it abundantly clear that all of them . . . were attempting to describe the same essentially indescribable Fact.⁶¹

Huxley goes on to describe four fundamental ideas that lie at the core of the Perennial Philosophy:

First: the phenomenal world of matter and of individualized consciousness—the world of things and animals and men and even gods—is the manifestation of a Divine Ground within which all partial realities have their being, and apart from which they would be non-existent.

Second: human beings are capable of not merely of knowing *about* the Divine Ground by inference; they can also realize its existence by a direct intuition, superior to discursive reasoning

Third: man possesses a double nature, a phenomenal ego and an eternal Self, which is the inner man, the spirit, the spark of divinity within the soul. . . .

Fourth: man's life on earth has only one end and purpose: to identify himself with his eternal Self and so to come to unitive knowledge of the Divine Ground.⁶²

It is noteworthy that Huxley does not mention in this Introduction to the *Bhagavad Gita* translation any Western Perennial Philosophy advocates beyond the Renaissance. Schumacher also believed that Western philosophy after Descartes (1596-1650) seldom concerned itself with traditional wisdom or what Huxley might call the Perennial Philosophy. In the *Guide*, he writes that Descartes and Francis Bacon (1561-1626) and most Western philosophers that followed them engaged in a “withdrawal from wisdom.” They overemphasized reason and a scientific approach to the exclusion of other forms of knowledge.⁶³

⁶¹ *The Song of God: Bhagavad-Gita*, trans. Swami Prabhavananda and Christopher Isherwood, intro. Aldous Huxley (New American Library, 1972), 11-12. A copy of this book, with Huxley's Introduction, was in Schumacher's personal library, as were other books by Huxley including his *Perennial Philosophy* (London: Chatto & Windus, 1946). The similarity between Huxley's Perennial Philosophy and the basic philosophy presented by Schumacher in his final book has been noted by several other writers; see, e. g., Thomas R. Dunlap, *Faith in Nature* (Seattle: University of Washington Press, 2004), 133.

⁶² *Ibid.*, 13. Cophorne Macdonald in various writings on wisdom has more recently emphasized the value of a perennial-philosophy perspective in achieving wisdom; see, e.g., his Ch. 1 of *Toward Wisdom*, at <http://www.wisdompage.com/tw-ch01.html>.

⁶³ *Guide*, 10-11.

Like many seekers after wisdom in other traditions, Schumacher stressed the importance of meditation and “some kind of awakening as the goal.”⁶⁴ As we have seen, one of the thinkers that strongly influenced him was Edward Conze, who in turn was indebted to the great Japanese Zen scholar D. T. Suzuki, who wrote the following:

The essence of Zen Buddhism consists in acquiring a new viewpoint on life and things generally. . . .

This acquiring of a new point of view in our dealings with life and the world is popularly called by Japanese Zen students 'satori' (*wu* in Chinese). It is really another name for Enlightenment. . . .

Satori may be defined as an intuitive looking into the nature of things in contradistinction to the analytical or logical understanding of it. Practically, it means the unfolding of a new world hitherto unperceived in the confusion of a dualistically-trained mind. Or we may say that with satori our entire surroundings are viewed from quite an unexpected angle of perception. Whatever this is, the world for those who have gained a satori is no more the old world as it used to be.⁶⁵

The basic idea that Huxley, Suzuki, and Schumacher shared is the belief that a deeper reality exists than the everyday reality most of us experience. Plato made a similar point in *The Republic* when he depicted people living in a cave who thought that the moving shadows they saw projected on a wall were real, not realizing that a greater reality lie behind them. Many mystics in various traditions who experienced a mystical “awakening” also believed this. Such an awakening led them to see the world differently. The English poet William Blake hinted at the resulting new way of looking at reality when he wrote in "Auguries of Innocence":

To see a World in a grain of sand,
And a Heaven in a wild flower,
Hold Infinity in the palm of your hand,
And Eternity in an hour.

Schumacher thought that traditional wisdom provided answers to such questions as “What is man? Where does he come from? What is the purpose of his life?” Wisdom “was directed primarily ‘towards the sovereign good,’ i.e., the True, the Good, and the Beautiful, knowledge of which would bring both happiness and salvation,” and it “looked upon nature as God’s handiwork and man’s mother.” He thought it could “be *found* only inside oneself. To be able to find it, one has first to liberate oneself from such masters as

⁶⁴ On the importance of meditation for wisdom, see Ken Wilber at http://wilber.shambhala.com/html/books/formation_int_inst.cfm/xid,8287/yid,9296268 and Copthorne Macdonald, “The Centrality of Wisdom,” at <http://www.wisdompage.com/HOE/HeavenEssay-Macdonald.html>. On Wilber’s praise of Schumacher and the similarity of some of Wilber’s ideas to his, see Frank Visser at <http://www.integralworld.net/visser6.html>.

⁶⁵ From a selection by Suzuki on Zen in Walter T. Stace, *The Teaching of the Mystics* (New York: Mentor Books, 1960), 89-90.

greed and envy. The stillness following liberation— even if only momentary— produces the insights of wisdom which are obtainable in no other way.”⁶⁶

Schumacher shared Aquinas’s view that wisdom “rightly judges all things and sets them in order.”⁶⁷ Whether considering economics, science, technology, politics, the environment, or our own personal life, he thought that wisdom based on the highest values should guide our choices.

He wrote of what he called “Divergent problems.” They involved reconciling opposites such as justice and mercy, “stability *and* change, tradition *and* innovation, public interest *and* private interest, planning *and* *laissez-faire*, order *and* freedom, growth *and* decay.” He believed that “everywhere society’s health depends on the simultaneous pursuit of [such] mutually opposed activities or aims” and that “no real understanding is possible without awareness of these pairs of opposites which permeate everything man does.” The way to reconcile them was through “such higher forces as love and compassion, understanding and empathy,” and most importantly, wisdom.⁶⁸

To Schumacher’s mind achieving and being guided by wisdom was the key to solving modern problems. Unless they were guided by wisdom all the scientific and technological inventions and economic thinking of the modern age would do little good. And he gave an example of how wisdom would guide one field of knowledge (economics) when he wrote that “from an economic point of view, the central concept of wisdom is permanence,” which today we would label sustainability.⁶⁹

To summarize Schumacher’s thinking on wisdom,

- It can be found amidst the ideas of the great religious and philosophical systems of the pre-modern age.
- It deals with fundamental questions like “What is the purpose of life?” and how to discover and achieve Truth, Goodness, and Beauty.
- To find it one must first purify oneself from evils like greed and envy.
- It emphasizes and applies higher values such as love, compassion, understanding, and empathy.
- Being guided by it is the key to dealing with our most serious problems, whether economic, environmental, political, or personnel.

Certainly, philosophy and religion can contribute to modern wisdom if they help us to experience more of the beauty, goodness, and truth that exist every moment of our lives but that we are usually too busy or preoccupied with other matters to experience. And the major religions advocate some type of ego transcendence—as did Schumacher when he wrote of “‘dying to oneself’ . . . to all one’s egocentric preoccupations”—that is also necessary for the highest wisdom.⁷⁰

In his advocacy of ego transcendence and in his values, including his appreciation for wisdom, Schumacher calls to mind the humanist psychologist Abraham Maslow. Schumacher had several of Maslow’s books in his library and quoted him in his *A Guide*

⁶⁶ *Good Work*, 122; *Perplexed*, 54; *Small Is Beautiful*, 38.

⁶⁷ *Summa Theologica* I-II, q.57, a.2, at <http://www.newadvent.org/summa/2057.htm#article2>.

⁶⁸ *Perplexed*, 126-27.

⁶⁹ *Small Is Beautiful*, 33.

⁷⁰ *Guide*, 135.

for the Perplexed. Conversely, Maslow quoted Fritz on the importance of spiritual values in a 1967 publication. During this same period, before Fritz's two major publications had appeared, Maslow wrote in his journal: "Spent whole day reading E. F. Schumacher, a humanistic economist. . . . Very impressed. Get impression of a wise & good man."⁷¹ Both men realized the importance of values in achieving wisdom, as do many modern wisdom scholars like Macdonald, who has written of "wisdom-associated values such as empathy, truth, honesty, justice, cooperation, peace, compassion, universal well-being, creativity, and comprehensive knowledge" and stated that "values are at the heart of the matter."⁷²

Works of both Schumacher and Maslow, who died in 1970, had appeared in *Manas*, a weekly publication of Henry Geiger, who greatly valued the thinking of both humanists and contributed the Introduction to Maslow's posthumously published *The Farther Reaches of Human Nature*. He liked both contributors non-dogmatic approach to religion and spiritual values. In a 1985 commentary in *Manas* entitled "A Rare Combination," he praised Maslow's discussion of "self-actualizing people," who like the sages of Eastern religions and philosophies transcended "striving or desiring or wanting," who combined "self-improvement with the service of others." He quotes Maslow's words:

In examining self-actualizing people directly, I find that in all cases, at least in our culture, they are dedicated people, devoted to some task "outside themselves," some vocation, or duty, or beloved job. . . . I have sometimes gone so far as to speak of oblation in the religious sense, in the sense of offering oneself or dedicating oneself upon some altar for some particular task, some cause outside oneself and bigger than oneself, something not merely selfish, something impersonal.

Geiger added that "here, surely, Maslow has entered the domain of philosophical religion, without sacrificing his rigor, but drafting his powers of observation in the service of high human ideals." Geiger also stated that Schumacher eventually displayed many of the characteristics of Maslow's self-actualizing people, "deliberately committing his life to the service of others in an area which he well understood." This commitment became more conscious after he turned to "Eastern philosophy [and] . . . deliberately altered his fundamental assumptions. . . . Fritz Schumacher became that remarkable and unusual combination: a man of high spiritual convictions who was determined to practice what he believed. For him, this meant helping others to lead self-reliant and productive lives."⁷³

⁷¹ Abraham H Maslow and International Study Project, *The Journals of A. H. Maslow* (Monterey, CA: Brooks/Cole Pub. Co, 1979) 1: 709 ; Maslow quotes Schumacher in his essay "A Theory of .Metamotivation," which is reprinted in, *The Farther Reaches of Human Nature* (New York: Viking Press, 1971), 299-340, with the quote being on p. 322.

⁷² See his "Values that Various People Have Associated with Wisdom," at <http://www.wisdompage.com/valueslists.html> and "Centrality of Wisdom," at <http://www.wisdompage.com/HOE/HeavenEssay-Macdonald.html>.

⁷³ *Manas*: XXXVIII: 6 (1985), at http://www.manasjournal.org/pdf_library/VolumeXXXVIII_1985/XXXVIII-06.pdf; the block quote from Maslow is as it appears in *Farther Reaches*, 301, where it differs insignificantly from how Geiger quotes it. For the relevance of Maslow's psychological insights for the study of wisdom, see Macdonald's Ch. 1 of *Toward Wisdom*, at <http://www.wisdompage.com/tw-ch01.html>.

Personal Development and Relations and the Struggle for Ego Transcendence

As we have seen, being wise involves one's personal life and ego transcendence. But just because Schumacher realized this does not mean overcoming egoism was easy for him. It was not. As earlier noted, one of his travelling companions across the USA in 1933 found him to be too egotistic. In her biography of her father, daughter Barbara often commented on the perception that he was too arrogant. Even his good friend David Astor thought that he was "very arrogant." Despite his struggles to overcome his egoism, Barbara wrote that "he did not suffer fools gladly," and the "conviction of his superior understanding never left Fritz although, as grew older, the arrogance was softened by a kindly pity," and he became more tolerant of others' foibles.⁷⁴ A close reading of his final book, *A Guide for the Perplexed*, reveals his continuing belief in his own judgments. Humility never became one of his strongest virtues.

Although her biography charts her father's spiritual development and maturing and mentions the "exemplary compassion, concern and love for his parents and for his sisters and brother,"⁷⁵ it also notes the self-centeredness, strong will, and insensitivity that he sometimes displayed, especially in his early and middle years. In these years he was often critical of his co-workers, in both England and during his postwar years in Germany. After becoming Director of Statistics at the Coal Board in 1963, however, he seems to have been a good boss. He attempted to reduce management levels and bureaucracy and allow those who worked under him the greatest possible freedom and initiative. To employees of the Intermediate Technology Group, which he had co-founded in 1966, but then left the everyday management to others, he was a "father-figure" and peacemaker when personnel problems arose.⁷⁶

Like many strong-willed men who achieve fame, Fritz did not always display wisdom as a husband and father. In dealing with his first wife, Muschi, he was at times insensitive to her needs. Their daughter Barbara provides several examples. Taking much more of an intellectual approach to life than Muschi, Fritz thought he knew better than she about how best to live. During the first 15 years of their marriage, before he developed his interest in religion in the 1950s, he often discouraged her religiosity. "He had used all his intellectual power to demolish her religious faith because he said it was superstitious, irrational and could not stand up to intellectual scrutiny."⁷⁷ She found it difficult to oppose him intellectually, but continued to rely more on her feelings and instincts. She often felt inferior to him, and he did too little to reassure her and contribute to her self-development. Later, after he became enthusiastic about the esoteric ideas of Ouspensky and Gurdjieff, followed by his fascination with Eastern religions, she also felt alienated from him on occasion. In the summer of 1954, in the midst of this new enthusiasm and while Muschi was vacationing with her family in Germany, "their relationship reached a new low."⁷⁸ Only after his trip to Burma in 1955 and his increasing

⁷⁴ Wood, 154, 276.

⁷⁵ Ibid., 200.

⁷⁶ Ibid., 306, 309-10, 327.

⁷⁷ Ibid., 232.

⁷⁸ Ibid., 239.

appreciation for Christian mystics and thinkers in the late 1950s did the religious gap between them appreciably narrow.

Their relationship was partly a reflection of their era. It was still a time in which many women did not work outside the home, and many men thought that a wife's chief responsibility was "homemaking," which meant providing her husband with all the support he needed and assuming the primary care of the children. Daughter Barbara recalls about her older brothers that when Muschi had trouble disciplining them, "she found little help from Fritz . . . [who] retired into his study from the battlefield."⁷⁹

He was especially insensitive to her feelings on several occasions when they were separated for long periods and he mentioned his relations with other women. In 1942, when he was in Oxford for many months while she remained in the countryside with the children, he wrote to her of a woman friend with whom he sometimes went out. But this woman was "more to him than just a friend and yet he seemed so absorbed in himself that he was blind to the anguish he was causing Muschi."⁸⁰ When she expressed concern to Fritz about the relationship and spoke of a "crisis" in their relationship, he told her there was no crisis, that a good marriage should allow each partner freedom, and that she should become less dependent on him. Although his family's reuniting with him in Oxford in late 1942 eased tensions, other long periods of separation occurred later that retested their commitment to each other. From Germany in 1946 he wrote to her of attending dances with other women and on one occasion of how a French woman he was dancing with was terribly impressed to find out that he was the "famous economist" from Oxford whose writings she so greatly admired. Although he assured Muschi that his dealings with other women were innocent, it must have been difficult for her to think of him, with his youthful looks and appeal to women, dancing with strangers of whom she knew little.⁸¹

His letters during their separation in late 1946-early 1947 were full of his experiences and thoughts regarding the important work he was doing. Muschi, however, thought that her domestic life back in England was not that interesting, doubted her own importance to him and wrote to him less often. But this paucity of letters from her, in turn increased his own insecurities and he feared that perhaps she was being unfaithful to him.

Her greater attachment to her native Germany, her frequent postwar visits to her parents' home there (during the 1950s six-week summer stays accompanied by her daughters often occurred), and his insistence that their permanent residence must be in England also created tensions between them on a few occasions. Most notable was in 1950 when she was reluctant to return to England after Fritz had already gone back and begun working for the Coal Board.

After Muschi's death in 1960 and Fritz's marriage to Vreni in 1962, we see a somewhat similar pattern develop in his second marriage. Fritz, thirty years older than his young wife, once again assumed the role of the patriarchal head of the family and left most of the care of his and Muschi's daughters, plus his and Vreni's children, to her, the former nanny of his children. On one occasion in the mid 1960s when Vreni told Fritz that she wished to train for a career of her own, perhaps nursing, he agreed that she should, but asked her to wait a while until he had established his newest project,

⁷⁹ Ibid., 116.

⁸⁰ Ibid., 155.

⁸¹ Ibid., 200, 215-16.

“intermediate technology.” But between waiting for such a time to arrive and having more children, the last being born in 1974, she never did pursue any training. Sometime near the end of the 1960s, Fritz told her that he had “succumbed briefly to female temptation,” but she seems to have forgiven him.⁸² Although his daughter’s biography records no further incidents of unfaithfulness, he seems to have remained attracted by feminine charm until the end of his life. The day before he died, according to his daughter, a photographer captured “his delight” at being interviewed by “a charming young lady.”⁸³

During Fritz’s frequent trips of the late 1960s and 1970s, Vreni usually remained at home, though she did accompany him on a brief trip to the USA in 1976. Separated from him, she often felt lonely, and Fritz’s short letters home did not offer much comfort. During the last year of his life, 1977, she believed that all of his travel and work was bad for his health, as well as unfair to her and their family. What did comfort her was the discovery of the solace the Catholic Church had to offer, and she and step-daughter Barbara both became Catholics before Fritz did in 1971. Thus, unlike the case with Muschi, differing approaches to religion never became a source of tension for the couple, and their mutual Catholicism helped bring them closer together during his final years. In summing up her father’s relationship to his second wife, daughter Barbara said that “she left him free to do the work he knew he must, although the cost to her was high.”⁸⁴

Despite his shortcomings as a husband and father, Fritz also had his strengths. He genuinely admired Muschi’s goodness and kindness, while she believed that she had benefitted from his widespread knowledge. Despite being insensitive at times, he often reassured her of his love and how he missed her by writing such lines as he did from Germany in 1945: “I find that other women mean nothing to me except to the extent that they resemble you. . . . Oh, if I could have you here for just 24 hours.”⁸⁵ How important her love and approval was to him is revealed in a letter he wrote to Muschi’s mother soon after her death: “For twenty-four years I have, so to speak, carried everything that I have done to Muschi like a dog. What does the dog who must go carrying do now? To whose feet can he bring the things that he has hunted?”⁸⁶ Toward his second wife, Vreni, he felt grateful for the home life she created and the new children she brought into their life. He also valued her youth.

Although he left most of the child care to the two mothers of his eight children, his daughter Barbara’s portrayal of him is generally positive. He was an enthusiastic young father with his and Muschi’s two oldest children, sons Christian and John. He wrote verses for them and invented games that he thought would help their mental development. In contrast to his own formal upbringing, he emphasized letting them develop as freely as possible. They and their two sisters loved the house at Caterham which Fritz bought in 1950, with its multiple acres useful for outdoor games and a variety of pets. A visitor to it in 1977 described it as follows:

Schumacher's home was idyllic. The rambling Edwardian house was comfortable and open to the outdoors, and as we sat down to tea we were surrounded by an abundance of nature. The vast

⁸² Ibid., 338.

⁸³ Ibid., 367.

⁸⁴ Ibid., 299.

⁸⁵ Quoted *ibid.*, 180-81.

⁸⁶ Quoted *ibid.*, 288.

garden was luxuriant and overgrown. The flowering trees were alive with the activity of insects and birds, a whole ecosystem basking in the warm spring sun. It was a peaceful oasis where the world still seemed whole. Schumacher spoke with great enthusiasm about his garden.⁸⁷

A year after moving into this “oasis,” Fritz himself wrote to his sister Edith that all of his “free time goes into the garden and into directing the children into productive activities. . . . This at any rate is my great aim—to prevent the children becoming mere consumers without having a creative attitude to their lives.”⁸⁸

As mentioned earlier, during Muschi’s final months when she did not wish her children to see her wasting away, Fritz took his two young daughters, ages fourteen and nine, to Switzerland. There he did “all he could” to protect them “from the pain of Muschi’s illness.”⁸⁹ In 1967 and 1968, he took Barbara to Peru and Tanzania on his working trips to these Third World countries. And in 1970, he took Barbara’s younger sister, Virginia, with him to South Africa.

He also seems to have adequately dealt with the potential problem of any resentment the children of his first marriage might have had toward their step-mother, Vreni. He told his own mother that the boys were in favor of his marrying Vreni. Although Barbara was at first opposed, and Fritz did not display great sensitivity in breaking the news to her, she later considered Vreni her “closest friend.”⁹⁰ She also followed in her father’s footsteps by studying economics and theology, as well as history, and working for the Intermediate Technology Development Group and the Voluntary Overseas Association. Subsequently she emulated him by having a large family (six children) and writing two books dealing with him and his ideas— her biography of him and *Small Is Still Beautiful* (2001).⁹¹ Shortly before he died he inscribed his *A Guide for the Perplexed* to her: “To Barbara Wood, whose existence fills me with admiration and delight.”⁹²

After his four children from his first marriage had all matured and left home, he “enjoyed his second family immensely.” He even allowed the children of this second marriage to play in his study, though not too rambunctiously, while he worked away at his research and writing.⁹³ The children of his two families sometimes celebrated events together, including Fritz’s grandchildren from the children of his first marriage. Just a week before his death they celebrated the birthday of his oldest child, Christian. In an emotional speech, Fritz exhorted his two older sons—his and Vreni’s youngest son was just a few years old and his brother still a teenager—to cherish their wives, and he acknowledged the great debt he owed to Vreni.

Since wisdom involves balancing various aspects of one’s life, it is fair to ask how wise Fritz was in his personal choices and in balancing work, family, and leisure. We have already seen that Vreni believed that in his final years he was harming his health

⁸⁷ Fritjof Capra, *Uncommon Wisdom: Conversations with Remarkable People* (New York: Random House, 1989), 212. A portion of this work, “Encounter at the Edge of the New Paradigm: A Dialogue with E.F. Schumacher,” is available at <http://www.enlightennext.org/magazine/j11/schumcapra.asp?pf=1>.

⁸⁸ Quoted in Wood, 223.

⁸⁹ *Ibid.*, 287.

⁹⁰ *Ibid.*, 338.

⁹¹ Barbara Wood Schumacher with Joseph Pearce, *Small Is Still Beautiful* (London: HarperCollins UK, 2001); hereafter Wood Schumacher.

⁹² Wood, 366.

⁹³ *Ibid.*, 349.

by overdoing the working and traveling. She may have been right. Although he looked trim up until his death, he did not take the best care of himself. Besides maintaining an exhausting work and travel schedule, he smoked on and off for many years and his daughter suggests that on some occasions he overdid the alcoholic drinking.

On various occasions, he seems to have realized that he needed to balance work and his active, serious mind with more relaxation and relaxation techniques. From the mid 1950s, he frequently meditated, and received extensive training in it from Buddhist monks while in Burma in 1955. One wisdom scholar has written that “both psychological therapies and spiritual practices can help us become wiser, and . . . [in some] research, meditation has been shown to be the most powerful single tool for advanced inner development. The exploration of our own psyche through investigative kinds of meditation leads not only to a quiet, receptive mind, but also to an appreciation of the laws by which our subjective life operates, ethical understanding, moral behavior, and the expansion of our circle of caring in both space and time.”⁹⁴

Schumacher’s passion for gardening has already been mentioned. Soon after returning to England and moving into a house with a large garden in 1950, the passion manifested itself. He arose at 6:00 am to work in the garden before commuting to the heart of London. After Muschi’s death in 1960, his enthusiasm waned, but then again was strongly manifested beginning around 1970 when he became president of the Soil Association.⁹⁵ As we shall see, his views on gardening became closely intertwined with his broader environmental vision.

His taste for literature and art reflected the seriousness with which he approached life. As early as the end of the 1950s, he thought that to be worthwhile literature should provide “new insight into the purpose of man’s life on earth.” He was more like the late moralistic Leo Tolstoy, who criticized his own earlier *Anna Karenina*, than the earlier Tolstoy who had written the masterpiece, which Fritz was critical of because he thought the decadence of Anna was made too attractive. He preferred works like Dante’s *The Divine Comedy* and Alessandro Manzoni’s nineteenth-century Italian historical novel *I Promessi Sposi* because of their positive ethical content. Most of the literary works in his personal library were in German, with those of, or about, Goethe, whom many Germans consider their greatest writer, being by far the most numerous. He also possessed a 5-volume set of the German poet Heinrich Heine’s works and *Das Stunden-Buch (The Book of Hours)* a book of spiritual poems by the later German poet Rainer Maria Rilke, and seven books by Rilke’s contemporary the popular German poet Christian Morgenstern. Several Herman Hesse novels were also in his German-language collection including *Siddhartha*, which depicted favorably a life of Buddha-like spiritual searching in ancient India. In German translation there was also a collection of stories by the great Indian writer Rabindranath Tagore, as well as the English edition of *Gitanjali*, his spiritual prose poems that had helped him win the Nobel Prize for Literature in 1913. Schumacher also possessed a copy of poems by T. S. Eliot and American poet Walt Whitman’s *Leaves of Grass*.

⁹⁴ Macdonald, “Centrality of Wisdom,” at <http://www.wisdompage.com/HOE/HeavenEssay-Macdonald.html>.

⁹⁵ On his enthusiasm, see Capra, “Encounter,” at <http://www.enlightennext.org/magazine/j11/schumcapra.asp?pf=1>.

Although numerous books of or about Nietzsche, Schopenhauer, Marx, and Freud were in his library, Schumacher's interest in these writers was most evident in his early and middle years. As early as 1959-1960, he thought that the ideas of both Marx and Freud had encouraged people to avoid individual responsibility. He also faulted Einstein, fairly or unfairly, for the same thing by encouraging relative, versus absolute, standards—Einstein himself has often been quoted as saying, “Relativity applies to physics, not ethics.” In his later years, it was non-fiction books that approached life from a spiritual or philosophical perspective that most appealed to him. He possessed some of Dorothy Sayers' books on Dante and religious matters, but there are no copies of her many books of detective fiction in his library. But there are many by and about Gandhi, as well as some by or on spiritual or religious thinkers like Augustine, Thomas Aquinas, the mystics John of the Cross and Teresa of Avila, Soren Kierkegaard, Cardinal John Henry Newman, Martin Buber, and Simone Weil. By the two twentieth-century Catholic philosophers who followed most in the tradition of Aquinas, Jacques Maritain and Etienne Gilson, there were more than two dozen books, and Schumacher quoted both men often in his later years. In his last book, he referred to Gilson as the “incomparable master of the history of philosophy.”⁹⁶ As compared to such books, there were relatively few works by European economists who had influenced him such as Keynes and Schumpeter, or by cultural critics like Raymond Williams or Herbert Marcuse.

Schumacher's daughter tells us that he thought that Shakespeare and George Bernard Shaw were the only valuable dramatists, though he did have one German volume of Ibsen's works in his library. There are none of Chekhov's plays or collections of his numerous short stories. In fact, very few works of the great Russian writers of the nineteenth and twentieth century were in his personal library. There was a German translation of Tolstoy's *Childhood, Boyhood, and Youth* and an English version of Alexander Solzhenitsyn's *One Day in the Life of Ivan Denisovich*, but no works of Pushkin, Dostoevsky, Turgenev, or Pasternak. Schumacher's favorite Russian writer seems to have been the philosopher, poet, and religious thinker Vladimir Solovyev. Schumacher possessed three of his prose works, in English translation, and one book about him and his ecumenical religious thinking.

Fritz's taste in art was similar to that in literature. Like writers such as G. K. Chesterton, Hillare Belloc, and Henry Adams, all of whom he had read, he admired medieval Western art and architecture. He believed that they reflected humans' spiritual quest. For most post-medieval art, especially of the twentieth-century, he had little appreciation. Regarding music, he enjoyed listening to Italian opera for many years, but in the latter part of his life he listened mainly to classical selections from “One Hundred Best Tunes.”

If an appreciation for and integration of “the three great value spheres” of “the Good, the True, and the Beautiful” or those of “morals, science, and art,” are helpful for leading a wiser life, as some wisdom researchers suggest, then it must be admitted that Schumacher emphasized more what he considered the good and the true than he did the beautiful. Wise poets and artists often stress beauty more than Schumacher did, but he did appreciate it, especially the beauty of nature. In his posthumous collection, *Good Work*, he speaks of beauty on several occasions. In criticizing modern industrialism he states it is “mechanical, artificial, divorced from nature” and that it contains “no element of

⁹⁶ *Guide*, 11.

Beauty, Truth, or Goodness.” Later on he says, “People matter. Nature matters. Beauty matters. Wholeness matters.”⁹⁷

The people that mattered most to him in life, in addition to his family, were those who shared his values. One such person was George McRobie, a young Scottish socialist economist recruited by Fritz in 1956 to join the Coal Board. Not only did he share many of Fritz’s economic ideas, but the two men often enjoyed a drink or more together and bawdy humor. Along with Fritz in the mid 1960s, he was one of the chief founders of the Intermediate Technology Group and became its chairman after Fritz’s death. He also carried on Fritz’s legacy in many other ways. For some time he served, as Fritz had done earlier, as president of Britain’s Soil Association—in 2009 he was still listed as one of its Honorary Vice-Presidents. In 1979, he put together and wrote the preface for *Good Work*, a posthumous collection of Schumacher’s lectures and essays. In the early 1980s, McRobie’s own book *Small Is Possible*, with an introduction by Vreni, elaborated upon many of his friend’s ideas.

Another friend was fellow economist and environmentalist Barbara Ward, a passionate but tolerant Catholic who may have influenced Fritz’s own turn to Catholicism. After his conversion, he also became good friends with another Catholic intellectual, Christopher Derrick, who often visited Fritz’s home, where they enjoyed conversing and some whiskey together.

Fritz also had friends in other countries such as India and the United States. One such person was Peter Gillingham, who met Schumacher on his trip to the USA in 1974 and accompanied him throughout most of his nine weeks of American lecturing in 1975 and 1977. Gillingham estimated that in the years 1974-1977, he stayed a total of about four months in Schumacher’s home during various visits to England. Fritz was especially interested in how the ideas Gillingham shared with him were being carried out in the United States. At the end of Schumacher’s posthumous collection *Good Work* a long Gillingham essay is also included.

A good insight into Fritz’s approachability and relations with others toward the end of his life is captured in an essay by Fritjof Capra, a young physicist who, like Schumacher earlier, had become interested in Eastern religions. His *The Tao of Physics* (1975) had been a best-seller, and he later described a meeting he had with Fritz in mid 1977.

Capra had written and called Schumacher requesting the meeting, and Fritz had met him at the train station near his home. Capra recalled him as “easygoing and very charming—a tall gentleman in his sixties with longish white hair, a kind, open face and gentle eyes twinkling under bushy white brows. He welcomed me warmly and told me that we could walk to his house, and as we fell into a leisurely stroll I could not help thinking that the phrase ‘economist-guru’ described Schumacher’s appearance perfectly.” Then, after describing the Schumacher house (see above) and Fritz’s enthusiastic words about his garden as they had tea together, Capra recounted their conversation in Fritz’s study.

The physicist “began with the observation that our social institutions are unable to solve the major problems of our time because they adhere to the concepts of an outdated worldview, the mechanistic worldview of seventeenth-century science.” This was a view similar to Schumacher’s, and Capra expected Fritz to agree with him. But Capra was also

⁹⁷ Macdonald, “Integral Vision,” <http://www.wisdompage.com/integralintro.html>; *Good Work*, 27, 50.

hopeful that a new worldview was emerging “from the new physics—its emphasis on interconnectedness, relationship, dynamic patterns, and continual change and transformation.” But Fritz was skeptical that the new physics, championed by his brother-in-law Werner Heisenberg and others, could offer much help in bringing about the kind of cultural transformation that both he and Capra thought was necessary. To Fritz’s mind the sciences, although helpful in their proper sphere, were ill prepared to offer humans much help in dealing with essential value questions, with confronting good and evil.

Despite this basic difference, Capra wrote:

I did want to learn from him as much as I could during that afternoon, and so I engaged him in a long conversation about economics, ecology and politics.

The more I listened to Schumacher, the more clearly I recognized that he was not so much a man of grand conceptual designs as a man of wisdom and action. . . .

[As] my visit [drew] to a close I thanked Schumacher for making this such an inspiring and challenging afternoon. "It was a great pleasure," he graciously replied, and after a pensive moment he added with a warm smile: "You know, we differ in our approach, but we don't differ in basic ideas."⁹⁸

After visiting Schumacher, Capra said about him: “He had arrived at a clear set of values and principles and was able to apply these in most ingenious ways to the solution of a great variety of economic and technological problems. The secret of his immense popularity lay in his message of optimism and hope.”⁹⁹ Hopefulness is one of the values often associated with wisdom, and psychologist Erik Erikson has stated that maintaining a positive approach to life in the face of death itself was the true test of wisdom.¹⁰⁰ Another scholar who has written much on wisdom has observed that “people are wise to the extent that they use their intelligence to seek a common good.”¹⁰¹ Schumacher applied his intelligence and hopefulness to some of the most important issues of his day that affected the “common good.” Chief among them were scientific and technological development, education and work, differing economic approaches, and the environment. His central point about developments in all these fields was that they should be determined by values and moral principles like those taught by the traditional wisdom of the great religions.

On Scientific and Technological Development

As we have suggested earlier, Schumacher believed that science and technology had an important role to play in the modern world, but had to be guided by a higher wisdom that

⁹⁸ Capra, “Encounter,” at <http://www.enlightennext.org/magazine/j11/schumcapra.asp?pf=1>.

⁹⁹ Ibid.

¹⁰⁰ For a list of values associated with wisdom, see Macdonald’s “Values,” at <http://www.wisdompage.com/valueslists.html>; Erik H. Erikson, “Reflections on Dr. Borg’s Life Cycle,” in *Aging, Death, and the Completion of Being*, ed. David D. Van Tassel (Philadelphia: Univ. of Pennsylvania Press, 1979), 60.

¹⁰¹ Robert Sternberg, “It’s Not What You Know, but How You Use It: Teaching for Wisdom,” *Chronicle of Higher Education*, Friday, June 28, 2002, available at <http://www.wisdompage.com/SternbergArticle01.html>.

reflected superior values.¹⁰² “Science and technology . . . have to open their doors to wisdom and, in fact, have to incorporate wisdom into their very structure.” He wrote that “every science is beneficial within its proper limits, but becomes evil and destructive as soon as it transgresses them,” and that “the best scientists know that science deals only with small isolated systems, showing how they work, and provides no basis whatsoever for comprehensive metaphysical doctrines.” He also believed that such was mainly true with other branches of learning. He thought that “great damage to human dignity has resulted from the misguided attempt of the social sciences to adopt and imitate the methods of the natural sciences,” and that “economics, and even more so applied economics, is not an exact science; it is in fact, or ought to be, something much greater: a branch of wisdom.”¹⁰³

In his *A Guide for the Perplexed* he made a distinction between science for understanding and science for manipulation.

The purpose of the former was the enlightenment of the person and his “liberation”; the purpose of the latter is power. “Knowledge itself is power,” said Francis Bacon (1561-1626), and Descartes promised men they would become “masters and possessors of nature.” In its more sophisticated development, “science for manipulation” tends almost inevitably to advance from the manipulation of nature to that of people.

“Science for understanding” has often been called “*wisdom*,” while the name “science” remained reserved for what I call “science for manipulation”

. . . When “science for manipulation” is subordinated to wisdom, i.e., “science for understanding,” it is a most valuable tool, and no harm can come of it. But it cannot be so subordinated when wisdom disappears because people cease to be interested in its pursuit. This has been the history of Western thought since Descartes. . . . The new science was mainly directed toward material power, a tendency which has meanwhile developed to such lengths that the enhancement of political and economic power is now generally taken as the first purpose of, and main justification for, expenditure on scientific work. The old science looked upon nature as God’s handiwork and man’s mother; the new science tends to look upon nature as an adversary to be conquered or a resource to be quarried and exploited.¹⁰⁴

This distinction upon two different approaches to science would have important consequences, as we shall later see, for Schumacher’s environmental views. But this distinction was not his only caveat about science. He also warned that it was not the only way to knowledge, especially of higher truths. The scientific method might bring us more certainty than other approaches and “minimize the risk of error, but . . . it would be a very great loss indeed if knowledge were limited to things beyond the possibility of doubt.” What Schumacher opposed was not science, but a materialistic scientism that denied the existence of anything spiritual. With the rise of such scientism, “the soul disappeared from the description of man—how could it exist when it could be neither weighed nor measured?”¹⁰⁵

He believed that dominance of scientism and “science for manipulation” had three main consequences. First, because questions like “What is the meaning and purpose of man’s existence?” would no longer be asked, people would “sink ever more deeply into

¹⁰² For the importance of twentieth-century science and technology, see Ch. 2 of my *An Age of Progress?: Clashing Twentieth-century Global Forces* (London; New York: Anthem Press, 2008).

¹⁰³ *Small Is Beautiful*, 33-34, 46, 239; *Good Work*, 121.

¹⁰⁴ *Guide*, 53-54.

¹⁰⁵ *Ibid.*, 3, 37.

anguish, despair, and loss of freedom.” Second, people would “lose the courage as well as the inclination to consult, and profit from, the ‘wisdom tradition of mankind.’” Third, “the higher powers of man . . . [would] tend to atrophy and even disappear altogether. As a result, all the problems which society or individuals are called upon to tackle [would] become insoluble.”¹⁰⁶

Shortly before his death, Schumacher told physicist Capra that “the progressive elimination of wisdom has turned the rapid accumulation of knowledge into a most serious threat. . . . Western civilization is based on the philosophical error that manipulative science is the truth, and physics has caused and perpetuated this error. Physics got us into the mess we are in today. The great cosmos is nothing but a chaos of particles without purpose or meaning, and the consequences of this materialistic view are felt everywhere.”¹⁰⁷

Although Schumacher’s increasing turn to religion, culminating in his conversion to Catholicism did not blind him to the “many centuries of theological imperialism, that existed before the more modern “three centuries of ‘scientific imperialism,’” it did influence him to overlook the importance of scientific thinking in helping to develop wisdom.¹⁰⁸ Although he correctly pointed out that scientific knowledge by itself was inadequate to guide us in determining how we should live and act, he failed to emphasize how such thinking could help us become wiser by overcoming ignorance, prejudice, and superstitions, including those sometimes displayed by religions. On a few occasions, he also went so far as to completely reject any scientific evidence, most notably in claiming that a German “peasant woman lived for thirty-five years without ingesting any liquid or food except the daily Eucharist.”¹⁰⁹

Schumacher’s thinking about technology also displayed much wisdom combined with a few oversights. His ideas on it are most clearly indicated in two chapters, the first (“Technology with A Human Face”) in *Small Is Beautiful*, the second (“Toward a Human-Scale Technology”) in his posthumous collection, *Good Work*.

He perceived the connection of science to technology as follows: “During the eighteenth and nineteenth centuries technology just grew like Topsy. Increasingly, however, it became the outgrowth of science. Today, its primary derivation is from science; in fact, it appears that science is today mainly valued for its technological fruits.”¹¹⁰ These words fit in with his belief that modern science had become a “science for manipulation.”

Most importantly, he realized how central technology had become in affecting economics, society, and culture. He was not as deterministic as Marx in emphasizing the role of materialistic productive forces like technology, but he quoted him and acknowledged his insights. Here are a few of Schumacher’s observations about the centrality of technology:

¹⁰⁶ Ibid., 56.

¹⁰⁷ Capra, “Encounter,” <http://www.enlightennext.org/magazine/j11/schumcapra.asp?pf=1>.

¹⁰⁸ Guide, 5; for a greater appreciation of what science can contribute to wisdom, see my section on “The Role of Science” in “[The Wisdom of Andrei Sakharov](#).”

¹⁰⁹ Guide, 92. Even a book first published in 1953 written by a Catholic priest and officially approved by the Catholic hierarchy casts serious doubt on such a claim. See Paul Siwek, *The Riddle of Konnersreuth: A Psychological and Religious Study of Theresa Neumann*, (Milwaukee: Bruce Publishing, 1953), 206-19.

¹¹⁰ *Good Work*, 44.

Few people deny that technological change has political consequences; yet equally few people seem to realize that the present "system," in the widest sense, is the product of technology and cannot be significantly changed unless technology is changed.¹¹¹

The modern industrial system has a built-in tendency to grow; it cannot really work unless it is growing. . . . Who, it may be asked, calls the tune? Fundamentally, the technologist. Whatever becomes technologically possible—within certain economic limits—must be done. Society must adapt itself to it. The question whether or not it does any good is ruled out on the specious argument that no one knows anyhow what is good or evil, wholesome or unwholesome, worthy of man or unworthy.¹¹²

Schumacher thought that modern technology was chiefly created by capitalism and bore "the marks of its origin, a technology for the few at the expense of the masses, a technology of exploitation, a technology that is class-orientated, undemocratic, inhuman, and also unecological and nonconservationist." But other industrial approaches like communism and British socialism had no more enlightened view of technology. Schumacher alluded to the USSR's claim that it would someday overtake "Britain or even America" in the production of various products. He concluded that "present-day industrial society everywhere shows this evil characteristic of incessantly stimulating greed, envy, and avarice."¹¹³

In another passage he wrote:

People still say: It is not the technology; it is the "system." Maybe a particular "system" gave birth to this technology; but now it stares us in the face that the system we have is the product, the inevitable product, of the technology. As I compare the societies which appear to have different "systems," the evidence seems to be overwhelming that where they employ the same technology they act very much the same and become more alike every day. Mindless work in office or factory is equally mindless under any system.¹¹⁴

He maintained not only that the modern world had "been shaped by technology," but "that it was "the greatest destructive force in modern society." Partly because of the cheap prices of fossil fuels until the early 1970s, Schumacher thought that technology had gone in the wrong direction in at least four ways. First and secondly, it had become too large and too complex, which in turn led to a third failing: it had "become so capital-costly that you have to be already rich and powerful before you can really do anything." Its fourth flaw was that it had become too violent. To illustrate and clarify his points, he provided several examples. In regard to complexity, he related how the electrical system controlling the raising and lowering of the windows of a friend's car had failed to operate and the difficulties and high cost (\$300) of repair that resulted. "Is that a price worth paying so you don't have to turn the handle?" was Schumacher's question. In referring to violence, he had in mind especially "an ever-increasing warfare against nature, and . . . the belief that science can do everything, and so you can go bullheadedly along, dumping poisons in ever-increasing quantities on this thin film around the globe, on which all life depends."¹¹⁵

¹¹¹ Ibid., 38.

¹¹² Ibid., 30-31.

¹¹³ Ibid., 26-27, 40.

¹¹⁴ Ibid., 42-43.

¹¹⁵ *Small Is Beautiful*, 146; *Good Work*, 46, 51-54.

By the early 1970s, he believed that technology had stimulated three simultaneous crises.

First, human nature revolts against inhuman technological, organisational, and political patterns, which it experiences as suffocating and debilitating; second, the living environment which supports human life aches and groans and gives signs of partial breakdown; and, third, it is clear to anyone fully knowledgeable in the subject matter that the inroads being made into the world's non-renewable resources, particularly those of fossil fuels, are such that serious bottlenecks and virtual exhaustion loom ahead in the quite foreseeable future.

Any one of these three crises or illnesses can turn out to be deadly. I do not know which of the three is the most likely to be the direct cause of collapse. What is quite clear is that a way of life that bases itself on materialism, i.e. on permanent, limitless expansionism in a finite environment, cannot last long, and that its life expectation is the shorter the more successfully it pursues its expansionist objectives.¹¹⁶

In the modern technological world, Schumacher thought that problems were “growing faster than the solutions,” in “the rich countries just as much as to the poor” and that modern technology was not doing much to help solve world poverty or unemployment. Technology recognized “no self-limiting principle—in terms, for instance, of size, speed, or violence” and, unlike nature, did “not possess the virtues of being self-balancing, self-adjusting, and self-cleansing.” He added that “in the subtle system of nature, technology, and in particular the super-technology of the modern world, acts like a foreign body, and there are now numerous signs of rejection.”¹¹⁷

Like Alvin Toffler, who in the early 1970s popularized the term “Future Shock” in a bestselling book of the same name, Schumacher called attention to “the extraordinary increase in the rate of change” being propelled by technology.¹¹⁸ And in other sections below dealing with work, industrial society, and the environment we shall examine more closely some of the evils he believed had resulted from this rampant growth.

But he also believed that if technology were guided by wisdom, rather than the quest for power and short-term economic gain, it could be a great boon to humankind. In *Small Is Beautiful* he noted that “the primary task of technology, it would seem, is to lighten the burden of work man has to carry in order to stay alive and develop his potential.” He quoted Gandhi, who said that “every machine that helps every individual has a place,” but that “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.” He also quoted Aldous Huxley, whose *Brave New World* (1932) had depicted a future world where technology was used to limit people’s freedom. What if, Huxley had written, technicians provided people with technology that helped them perform “profitable and intrinsically significant work, of helping men and women to achieve independence from bosses, so that they may become their own employers, or members of a self-governing, co-operative group working for subsistence and a local market.” Such a technology, Huxley added, could also provide “a more humanly satisfying life for more people, a greater measure of genuine self-governing democracy

¹¹⁶ *Small Is Beautiful*, 147.

¹¹⁷ *Ibid.*, 147-48.

¹¹⁸ *Good Work*, 24.

and a blessed freedom from the silly or pernicious adult education provided by the mass producers of consumer goods through the medium of advertisements.”¹¹⁹

We have already seen that in 1966 Schumacher and a few others founded the Intermediate Technology Development Group (ITDG), and he is often referred to as the “founder of the Intermediate Technology movement.”¹²⁰ This Intermediate (or Appropriate) Technology concept was his chief response to the excesses and harmful effects of modern technology. Developing this type of technology was also, he believed, the best way to improve society in general—“I know of no better way of changing the ‘system’ than by putting into the world a *new type* of technology—technologies by which small people can make themselves productive and relatively independent.”¹²¹

Since he thought technology had taken four wrong directions—“ever-bigger size, ever-bigger complexity, ever-bigger capital intensity, and ever-bigger violence”—he envisioned intermediate technology taking steps in the opposite direction, toward a smaller, simpler, less capital intensive 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.

Out of these three characteristics is born non-violence and a relationship of man to nature which guarantees permanence. If only one of these three is neglected, things are bound to go wrong.¹²²

Again, he elaborated on these basic ideas. In regard to violent technology, for example, he wrote that “nonviolence, in this context, refers to modes of production which respect ecological principles and strive to work with nature instead of attempting to force their way through natural systems.”¹²³

He arrived at his ideas primarily as a result of his trips to Third World countries. His trip to India in 1962 was especially crucial. He traveled around the country including its rural areas and told its economic planners that the main question they should ask themselves is “What is the appropriate technology for rural India?” His answer was “an intermediate technology, something much better than the hoe and much cheaper and easier to maintain than the tractor plow.” He thought that “the appropriate technology at the intermediate level will be simple enough that you don't have to have . . . specialists” like specially trained managers and engineers. Big projects in major urban areas usually required extensive infrastructure like roads, worker housing, schools, hospitals, and experts. “But if you have small-scale it doesn't require an elaborate infrastructure and you can become productive quickly and then perhaps later you will have the wealth to make the infrastructure a bit more elaborate.” He amplified his point with a parable.

There's a road and from the road there's a path and by the path there's a shed. And in the shed is a hen that lays an egg. Well, now, all that—the road, the path, the shed, the hen—is not what you want. You want only that one egg. If you spend all your money on the road, the path, and the shed,

¹¹⁹ *Small Is Beautiful*, 34-35, 148.

¹²⁰ See, e.g., Des Gasper, *The Ethics of Development* (Edinburg: Edinburgh University Press, 2004), 17.

¹²¹ *Good Work*, 43.

¹²² *Ibid.*, 54; *Small Is Beautiful*, 34.

¹²³ *Good Work*, 57.

you're then broke and can't even have a hen to lay an egg; it's not very good business. So you want to minimize the infrastructure requirement; you want to produce in such a way and at such a location that you don't have to spend all your money on roads, paths, sheds, and the like, and you can spend more money on getting more hens to lay more eggs.¹²⁴

To understand what would work best for people in poorer countries, Schumacher believed the advisers from rich countries had to try to put themselves in the mindset of poorer peoples and ask themselves what type of technology would really help them the most. He gave the example of creating more efficient oxcarts, an important need in some rural areas, as an example of intermediate or appropriate technology. Noting that “to have efficient oxcarts, the wheels ought to have steel rims,” and that only big and costly machines requiring electricity were bending steel by the early 1970s, Schumacher and some of his colleagues discovered a two-hundred-year-old tool in a French village that did the job. But it was “clumsily made.” So Schumacher wrote, “We took this to the National College of Agricultural Engineering in England and said, ‘Come on, boys, you can do better than that. Upgrade it, use your best mathematics to work out the required curvature and whathave you.’” The task was done, and the result was a tool that could be “made by the village blacksmith” at one-hundredth the cost of the previous smallest tool that would have done the job. Schumacher wrote, “Now this is something quite different from going back into the preindustrial era. It is using our knowledge in a different way, and we know it can be done.”¹²⁵

In the final speech he gave before his death, he said the following:

When I asked myself this question, ‘What would be the appropriate technology for rural India or rural Latin America or maybe the city slums? I came to a very simple provisional answer. That technology would indeed be really much more intelligent, efficient, scientific if you like, than the very low level technology employed. But it should be very, very much simpler, very much cheaper, very much easier to maintain, than the highly sophisticated technology of the modern West. In other words it would be an intermediate technology, somewhere in between.’¹²⁶

Schumacher realized that “the applicability of intermediate technology is, of course, not universal,” especially in advanced industrialized societies.

There are products which are themselves the typical outcome of highly sophisticated modern industry and cannot be produced except by such an industry. These products, at the same time, are not normally an urgent need of the poor. What the poor need most of all is simple things—building materials, clothing, household goods, agricultural implements—and a better return for their agricultural products. They also most urgently need in many places: trees, water, and crop storage facilities. Most agricultural populations would be helped immensely if they could themselves do the first stages of processing their products. All these are ideal fields for intermediate technology.¹²⁷

¹²⁴ Ibid., 130-33.

¹²⁵ Ibid., 135-36.

¹²⁶ This cited material and other extracts from the speech are available at <http://realtalkworld.com/2009/04/25/caring-for-real-ef-schumacher>.

¹²⁷ *Small Is Beautiful*, 186.

Even in countries like England, however, he thought that some small steps could be taken away from the dominant trend toward technological gigantism. Later on, we shall examine the economic and environmental implications of taking such steps.

On Education and Work

Schumacher thought that “more education can help us only if it produces more wisdom.”¹²⁸ He was very critical of what has eventually become the dominant purpose of higher education—career preparation for work in our modern industrial societies, which he believed were deeply flawed.

The main problem he perceived with modern education was that it had abandoned the search for wisdom. At the beginning of his final book, *A Guide for the Perplexed*, he indicated the difficulties he faced trying to discover how best to live. “All through school and university I had been given maps of life and knowledge on which there was hardly a trace of many of the things that I most cared about and that seemed to me to be of the greatest possible importance to the conduct of my life.” These “maps” he referred to were those “produced by modern materialistic scientism . . . [that left] all the questions that really matter unanswered.” He went on to note that the situation was “even worse now because the ever more rigorous application of the scientific method to all subjects and disciplines has destroyed even the last remnants of ancient wisdom— at least in the Western world. It is being loudly proclaimed *in the name of scientific objectivity* that ‘values and meanings are nothing but defence mechanisms and reaction formations.’”¹²⁹

Schumacher maintained that what people really needed were “ideas that would make the world, and their own lives, intelligible to them. . . . If the mind cannot bring to the world a set—or, shall we say, a tool-box—of powerful ideas, the world must appear to it as a chaos, a mass of unrelated phenomena, of meaningless events.”

Our task—and the task of all education—is to understand the present world, the world in which we live and make our choices.

The problems of education are merely reflections of the deepest problems of our age. They cannot be solved by organization, administration, or the expenditure of money, even though the importance of all these is not denied. We are suffering from a metaphysical disease, and the cure must therefore be metaphysical. Education which fails to clarify our central convictions is mere training or indulgence. For it is our central convictions that are in disorder, and, as long as the present anti-metaphysical temper persists, the disorder will grow worse. Education, far from ranking as man's greatest resource, will then be an agent of destruction.¹³⁰

Science, he wrote, “cannot produce ideas by which we could live,” and it was “being taught without any awareness of the . . . place occupied by the natural sciences within the whole cosmos of human thought.” Although he recognized that the sciences conveyed important information “about how things work in nature or in engineering,” they conveyed “nothing about the meaning of life.” In regard to two “social sciences,” he wrote that economics was “being taught without any awareness of the view of human

¹²⁸ Ibid., 82; I have written at greater length on Schumacher’s views on education in my “E. F. Schumacher on Wisdom and Education,” <http://www.wisdompage.com/SchumacherOnWisdomAndEducation.html>.

¹²⁹ *Guide*, 1, 4-5.

¹³⁰ *Small Is Beautiful*, 84, 101.

nature that underlies present-day economic theory,” and politics without considering the “metaphysical and ethical problems involved” in dealing with human interaction.¹³¹

At first glance the humanities seemed to offer some hope—“here indeed he [the student] can find, if he is lucky, great and vital ideas to fill his mind, ideas with which to think and through which to make the world, society, and his own life intelligible.” Unfortunately, however, “even in the humanities we may get bogged down in a mass of specialised scholarship furnishing our minds with lots of small ideas just as unsuitable as the ideas which we might pick up from the natural sciences.” Or the humanities might present to us “a view of the world as a wasteland in which there is no meaning or purpose, in which man's consciousness is an unfortunate cosmic accident, in which anguish and despair are the only final realities.”¹³²

For education to help us develop the greatest wisdom, Schumacher thought it had to assist us in developing our values. “Education cannot help us as long as it accords no place to metaphysics. Whether the subjects taught are subjects of science or of the humanities, if the teaching does not lead to a clarification of metaphysics, that is to say, of our fundamental convictions, it cannot educate a man and, consequently, cannot be of real value to society.”¹³³

He continually emphasized the traditional values taught by the great world religions, but also emphasized that these “values do not help us to pick our way through life unless they have become our own, a part, so to say, of our mental make-up.” He added that individuals had to interiorize what they were taught, they had to “sift it, sort it out, keep the good and jettison the bad” in order to become inner directed. Education for wisdom, however, still had to help an individual accomplish one more task—“dying to oneself . . . to all one's egocentric preoccupations.” He went on to say that to be happy and wise there were three things that people “most need to do and education ought to prepare them for these things: To act as spiritual beings, that is to say, to act in accordance with their moral impulses. . . . To act as neighbors, to render service . . . [and] to act as persons, as autonomous centers of power and responsibility, that is, to be creatively engaged, using and developing the gifts that we have been blessed with.”¹³⁴

To Schumacher our values lie at the core of our being, affecting how we approach all subjects. As he writes,

All subjects, no matter how specialised, are connected with a centre; they are like rays emanating from a sun. The centre is constituted by our most basic convictions, by those ideas which really have the power to move us. In other words, the centre consists of metaphysics and ethics, of ideas that—whether we like it or not—transcend the world of facts. Because they transcend the world of facts, they cannot be proved or disproved by ordinary scientific method. But that does not mean that they are purely “subjective” or “relative” or mere arbitrary conventions. They must be true to reality, although they transcend the world of facts. . . .

Education can help us only if it produces “whole men.” The truly educated man is not a man who knows a bit of everything . . . *but he will be truly in touch with the centre.* He will not be in doubt about his basic convictions, about his view on the meaning and purpose of his life. He

¹³¹ Ibid., 87, 94.

¹³² Ibid., 88, 91.

¹³³ Ibid., 93.

¹³⁴ Ibid., 82; *Good Work*, 115-17.

may not be able to explain these matters in words, but the conduct of his life will show a certain sureness of touch which stems from his inner clarity.¹³⁵

Thus, he thought that the study of all subjects should be penetrated by the rays of our values, of our wisdom. “Unless that person has sorted out and coordinated his manifold urges, impulses, and desires, his strivings are likely to be confused, contradictory, self-defeating, and possibly highly destructive. The ‘centre,’ obviously, is the place where he has to create for himself an orderly system of ideas about himself and the world, which can regulate the direction of his various strivings.”¹³⁶

Rather than educating people to fit into modern economic systems that were unsustainable, Schumacher hoped that “higher education could be designed to lead to a *different* world of work.” It could help students “distinguish between good work and bad work and encourage them *not to accept* the latter. That is to say, they should be encouraged to *reject* meaningless, boring, stultifying, or nerve-racking work in which a man (or woman) is made the servant of a machine or a system. They should be taught that work is the joy of life and is *needed* for our development, but that meaningless work is an abomination.” He also believed that those lucky enough to receive higher education in poorer parts of the world should not use it to help them distance themselves from their poorer countrymen, but to help them.¹³⁷

Schumacher gave much thought to the nature of work and reflected many influences, including that of Buddhist thinkers and Karl Marx, whose writings he had studied thoroughly.¹³⁸ Schumacher thought scholars had paid insufficient attention to the significance of work. According to him “what people actually *do* is normally more important, for understanding them, than what they say, or what they spend their money on, or what they own, or how they vote. A person's work is undoubtedly one of the most decisive formative influences on his character and personality. . . . The question of *what the work does to the worker* is hardly ever asked, not to mention the question of whether the real task might not be to adapt the work to the needs of the worker rather than to demand that the worker adapt himself to the needs of the work—which means, of course, primarily to the needs of the machine.” He quoted the French novelist Albert Camus, who said that “without work, all life goes rotten. But when work is soulless, life stifles and dies.”¹³⁹

Schumacher thought that modern industrial society made “most forms of work—manual and white-collared—utterly uninteresting and meaningless. Mechanical, artificial, divorced from nature, utilizing only the smallest part of man's potential capabilities, it sentences the great majority of workers to spending their working lives in a way which contains no worthy challenge, no stimulus to self-perfection, no chance of development, no element of Beauty, Truth, or Goodness. The basic aim of modern industrialism is not to make work satisfying but to raise productivity; its proudest achievement is labor saving, whereby labor is stamped with the mark, of undesirability. But what is

¹³⁵ *Small Is Beautiful*, 94-95.

¹³⁶ *Ibid.*, 95.

¹³⁷ *Good Work*, 118-19, 123. *Small Is Beautiful*, 207-08.

¹³⁸ See especially Marx on “Estranged Labour” in his *Economic and Philosophical Manuscripts of 1844*, available at <http://www.marxists.org/archive/marx/works/1844/manuscripts/labour.htm>.

¹³⁹ *Good Work*, 2-4.

undesirable cannot confer dignity; so the working life of a laborer is a life without dignity.”¹⁴⁰

In his chapter on “Buddhist Economics” in *Small Is Beautiful*, he indicated that in modern industrial societies employers attempted to reduce employment by labor-saving devices, and workers at their unsatisfying jobs were happy to work less if it did not reduce their income. But a Buddhist approach to work would be different. It would have at least three aims:

To give a man a chance to utilise and develop his faculties; to enable him to overcome his ego-centredness by joining with other people in a common task; and to bring forth the goods and services needed for a becoming existence. Again, the consequences that flow from this view are endless. To organise work in such a manner that it becomes meaningless, boring, stultifying, or nerve-racking for the worker would be little short of criminal; it would indicate a greater concern with goods than with people, an evil lack of compassion and a soul-destroying degree of attachment to the most primitive side of this worldly existence. . . .

. . . Buddhist economics must be very different from the economics of modern materialism, since the Buddhist sees the essence of civilisation not in a multiplication of wants but in the purification of human character. Character, at the same time, is formed primarily by a man's work.¹⁴¹

Schumacher went on to quote an Indian philosopher who wrote:

If the nature of the work is properly appreciated and applied, it will stand in the same relation to the higher faculties as food is to the physical body. It nourishes and enlivens the higher man and urges him to produce the best he is capable of. It directs his free will along the proper course and disciplines the animal in him into progressive channels. It furnishes an excellent background for man to display his scale of values and develop his personality.¹⁴²

To Schumacher, as with the Buddhist perspective, work should focus primarily on furthering one's development and creativity and not on producing a maximum number of consumer goods. “While the materialist is mainly interested in goods, the Buddhist is mainly interested in liberation. But Buddhism is 'The Middle Way' and therefore in no way antagonistic to physical well-being. It is not wealth that stands in the way of liberation but the attachment to wealth; not the enjoyment of pleasurable things but the craving for them.” If humans desired less, they could work less, and “the less toil there is, the more time and strength is left for artistic creativity.” The “toil” Schumacher wrote of, however, was not to be identified with “work” as it should be, because work ideally should be more like that of a craftsman than that of an assembly-line worker. He believed that “work and leisure are complementary parts of the same living process and cannot be separated without destroying the joy of work and the bliss of leisure.”¹⁴³

In the modern technologically-driven world, however, Schumacher thought that society made “immense claims on man's time and attention” and that this “must be accounted its greatest evil.”

¹⁴⁰ Ibid., 27-28.

¹⁴¹ *Small Is Beautiful*, 54-55. There are some similarities between this Buddhist approach and that of the atheistic Marx, who believed that work should help us humanize nature and contribute to our own self-development.

¹⁴² Ibid., 56.

¹⁴³ Ibid., 55, 57-58.

Paradoxical as it may seem, modern industrial society, in spite of an incredible proliferation of labor-saving devices, has not given people more time to devote to their all-important spiritual tasks; it has made it exceedingly difficult for anyone, except the most determined, to find any time whatever for these tasks. In fact, I think I should not go far wrong if I asserted that the amount of genuine leisure available in a society is generally in inverse proportion to the amount of labor-saving machinery it employs. . . .

The widespread substitution of mental strain for physical strain is no advantage from our point of view. Proper physical work, even if strenuous, does not absorb a great deal of the power of attention, but mental work does. . . .

I say, therefore, that it is a great evil—perhaps the greatest evil—of modern industrial society that, through its immensely involved nature, it imposes an undue nervous strain and absorbs an undue proportion of man's attention.

Although Schumacher was hopeful that less developed countries might not follow the technology-run-amok example of the more industrialized countries, he saw “no sign of this happening anywhere in the world.”¹⁴⁴

On Economics and Industrial Society

Schumacher stated that economics dominated government policies and “absorbs almost the whole of foreign policy” and the “whole of ethics” and takes “precedence over all other human considerations. Now, quite clearly, this is a pathological development.”¹⁴⁵ It was so, he believed, because the dominant economics of his day had long deviated from any attempt at being guided by wisdom. In his chapter on “Buddhist Economics” in *Small Is Beautiful* he indicated his belief that the dominant Western economics was not the only possible approach to a field that many thought of as a science, or at least a “social science.” In writing about Western economics, he also made it clear that he believed it was not only contrary to Buddhist economics, but to some basic Christian principles, as well as to the world’s traditional wisdom.

He insisted that economics was essentially different than a science like physics—“the great majority of economists is still pursuing the absurd ideal of making their 'science' as scientific and precise as physics, as if there were no qualitative difference between mindless atoms and men made in the image of God.” He believed that economics was strongly influenced, whether one realized it or not, by one’s philosophical or religious views, by what he called meta-economics. By the term he meant to indicate “that economics must derive its aims and objectives from a study of man, and that it must derive at least a large part of its methodology from a study of nature.” In “Buddhist Economics” he attempted to indicate “how the conclusions and prescriptions of economics change as the underlying picture of man and his purpose on earth changes.”¹⁴⁶

He believed that modern Western economics reflected a materialist approach. “Out of the large number of aspects which in real life have to be seen and judged together

¹⁴⁴ *Good Work*, 24-26. In *Small Is Beautiful*, 148, he observed how individual pieces of technology, like a computer, could greatly reduce the time it formerly took to do a job, but he also was struck by the fact that the more technologically developed countries seemed to enjoy less leisure than a country like Burma, where people had “an enormous amount of leisure really to enjoy themselves.”

¹⁴⁵ *Small Is Beautiful*, 69-70.

¹⁴⁶ *Ibid.*, 46-47, 49.

before a decision can be taken, economics supplies only one—whether a thing yields a money profit *to those who undertake it* or not.” It does not even generally ask “whether an activity carried on by a group within society yields a profit to society as a whole. . . . In a sense, the market is the institutionalisation of individualism and non-responsibility.” With its emphasis on rapid change, economic growth, and increasing Gross National Product (GNP), Western economics failed to adequately consider “the availability of basic resources and, alternatively or additionally, the capacity of the environment to cope with the degree of interference implied.” By advertising and marketing, it also encouraged a “frenzy of greed and . . . an orgy of envy.” Schumacher observed that by ignoring wisdom humans were in danger of building up “a monster economy, which destroys the world.”¹⁴⁷

He also wrote that “the cultivation and expansion of needs is the antithesis of wisdom. . . . freedom and peace. Every increase of needs tends to increase one's dependence on outside forces over which one cannot have control, and therefore increases existential fear. Only by a reduction of needs can one promote a genuine reduction in those tensions which are the ultimate causes of strife and war.”¹⁴⁸

Buddhist economics, he thought, would take a different approach. We have already seen how he believed it would look at work differently than Western economics. He also wrote that “while the materialist is mainly interested in goods, the Buddhist is mainly interested in liberation.” Whereas a Western economist would measure “the 'standard of living' by the amount of annual consumption, assuming . . . that a man who consumes more is 'better off' than a man who consumes less,” a Buddhist economist would think that “the aim should be to obtain the maximum of well-being with the minimum of consumption.”¹⁴⁹

Another major difference was that, unlike most Western economic thinking, a Buddhist approach would take a more sustainable approach to natural resources—“Non-renewable goods must be used only if they are indispensable, and then only with the greatest care and the most meticulous concern for conservation.”¹⁵⁰

Given Schumacher's approach to Western economics, his criticism of modern industrial society, whether capitalist, socialist, or communist, is understandable. In “the light of the Gospels,” he thought it guilty of “four great and grievous evils”:

1. Its vastly complicated nature.
2. Its continuous stimulation of, and reliance on, the deadly sins of greed, envy, and avarice.
3. Its destruction of the content and dignity of most forms of work.
4. Its authoritarian character, owing to organization in excessively large units.¹⁵¹

In keeping with this perspective, he furnished five reasons why he thought modern industrial society should fail:

1. It has disrupted, and continues to disrupt, certain organic relationships in such a manner that world population is growing, apparently irresistibly, beyond the means of subsistence.

¹⁴⁷ Ibid., 30-31, 38, 42-44; *Good Work*, 26 .

¹⁴⁸ *Small Is Beautiful*, 33.

¹⁴⁹ Ibid., 57.

¹⁵⁰ Ibid., 60.

¹⁵¹ *Good Work*, 29.

2. It is disrupting certain other organic relationships in such a manner as to threaten those means of subsistence themselves, spreading poison, adulterating food, etc.
3. It is rapidly depleting the earth's nonrenewable stocks of scarce mineral resources—mainly fuels and metals.
4. It is degrading the moral and intellectual qualities of man while further developing a highly complicated way of life the smooth continuance of which requires ever-increasing moral and intellectual qualities.
5. It breeds violence—a violence against nature which at any moment can turn into violence against one's fellow men, when there are weapons around which make nonviolence a condition of survival.¹⁵²

Such a sweeping critique was indeed radical because it challenged many of the premises of modern industrial societies, whether they called themselves capitalist, socialist, or communist. All three, for example, emphasized economic growth as demonstrated by GNP increases. Whereas they attempted to expand the production of material goods, Schumacher emphasized the spiritual and environmental consequences of constantly expanding “wants.” He recommended “resisting the temptation of letting our luxuries become needs; and perhaps . . . even scrutinising our needs to see if they cannot be simplified and reduced.” Of course, he distinguished between basic needs and what he considered artificial “needs” that were really “wants.” He worked hard to help meet the basic needs of poorer peoples, but he believed that “poor people have relatively simple needs, and it is primarily with regard to their basic requirements and activities that they want assistance.”¹⁵³

Modern industrial societies also emphasized increasing productivity—Schumacher called it “the basic aim of modern industrialism.” But he thought that if certain types of big technology put people out of work, perhaps it would be better to use a more appropriate technology in order to keep on more employees even if it meant less productivity per person. He quoted Gandhi who said that “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,” and he mentioned Gandhi’s belief that the “poor of the world cannot be helped by mass production, only by production by the masses.” Schumacher illustrated his thinking on the relationship of productivity to employment by the following words.

At one-sixth of present-day productivity. . . there would be six times as much time for any piece of work we chose to undertake—enough to make a really good job of it, to enjoy oneself, to produce real quality, even to make things beautiful. . . . No one would then want to raise the school-leaving age or to lower the retirement age, so as to keep people off the labour market. Everybody would be welcome to lend a hand. Everybody would be admitted to what is now the rarest privilege, the opportunity of working usefully, creatively, with his own hands and brains, in his own time, at his own pace—and with excellent tools.¹⁵⁴

Even though he was not suggesting that any society reduce its *overall* productivity by one-sixth, these words amounted to economic heresy because he was saying that

¹⁵² Ibid., 35-36.

¹⁵³ *Small Is Beautiful*, 33, 39, 199-200; *Good Work*, 26.

¹⁵⁴ *Small Is Beautiful*, 34-35, 152, 153; *Good Work*, 27.

increasing productivity, even if it lowered a consumer's purchase price, might be trumped by other considerations.

Schumacher also faulted modern industrial societies for drawing people out of the countryside and into sprawling urban conglomerates. To realize what a great change this was, a few statistics are appropriate. In the twentieth century the percentage of people in rural areas decreased from about five-sixths to about one-half of the global population. This exodus from rural to urban areas was primarily due to new agricultural technology that enabled fewer people to produce much more food. In the United States, for example, about 38 percent of the working population were engaged in agriculture in 1900; by the end of the century, 2 percent of the population were producing a great deal more than the 38 percent had at the century's beginning.

Schumacher observed that U.S. farmland was a "land cultivated with vast tractors . . . [and] combine harvesters." But for this increased productivity, he believed that not only did we pay a high ecological price (see section below, "Environment"), but that the movement of millions of people to over-crowded cities created what he called a "a pathological growth" and "footlooseness," about which he wrote:

In the rich countries such as the United States of America, it produces, as already mentioned, "megalopolis." It also produces a rapidly increasing and ever more intractable problem of "drop-outs," of people, who, having become footloose, cannot find a place anywhere in society. Directly connected with this, it produces an appalling problem of crime, alienation, stress, social breakdown, right down to the level of the family. In the poor countries, again most severely in the largest ones, it produces mass migration into cities, mass unemployment, and, as vitality is drained out of the rural areas, the threat of famine. The result is a "dual society" without any inner cohesion, subject to a maximum of political instability.

To illustrate his point, he cited the case of Lima, Peru, which he had visited in the late 1960s.

The once beautiful Spanish city is now infested by slums, surrounded by misery-belts The social or psychological structure of life in the hinterland has collapsed; people have become footloose and arrive in the capital city at the rate of a thousand a day to squat on some empty land, against the police who come to beat them out, to build their mud hovels and look for a job. *And nobody knows what to do about them.*¹⁵⁵

Schumacher's criticism of urban developments fit in with his suspicion of "gigantism." He distrusted any *big* solutions or panaceas. He accepted the principle of subsidiarity that taught it was unjust for bigger organizations to do what smaller ones could do better. This applied to both "society as a whole" and "equally to the different levels within a large organisation." Since he believed it likely that large organizations would not go away, he emphasized the importance of establishing some of the virtues of smallness within large organizations.¹⁵⁶

Defenders of capitalism are sometimes sensitive to Schumacher-type criticisms and might be prone to dismiss him as just another fuzzy-thinking British socialist. But to label him such would be a mistake because it ignores the complexity and nuances of his thinking. During the 1960s and 1970s, while supporting the moderately socialist Labour

¹⁵⁵ *Small Is Beautiful*, 68-71, 158

¹⁵⁶ *Ibid.*, 242, 244.

Party, he still faulted British socialism for loosing “its bearings and . . . [presenting] itself merely as a device to raise the standard of living of the less affluent classes faster than could be done by private enterprise.” He was even more critical of Karl Marx and Marxism, despite much of its just criticism of capitalism, because of its exclusively materialistic approach, atheism, and emphasis on class hatred and violence.¹⁵⁷

As Schumacher’s writings and daughter’s biography of him make clear his socialism was more of a Christian socialism. It was influenced by other Christians like the historian (and socialist) R. H. Tawney, who along with Gandhi and Keynes most influenced his economic thinking, and the writings of G. K Chesterton, Hilaire Belloc, and some of the papal encyclicals. Chesterton and Belloc are associated with Distributism, an economic philosophy critical of both state socialism and capitalism.¹⁵⁸

Perhaps his daughter’s biography best describes his type of socialism: “A socialism that did away with the concentrations of economic power, a socialism which gave people work that allowed them to be fully human. . . . Small-scale technology, small-scale enterprise, workshops and small factories serving a community and served by a community; that was real socialism in action.”¹⁵⁹

In two chapters on ownership in *Small Is Beautiful*, he devotes many pages to the Scott Bader Commonwealth, where he served on the Board of Directors. Although he thought that “in small-scale enterprise, private ownership is natural, fruitful, and just,” in medium and large enterprises such ownership was more complex and often unjust. But he cited Bader’s company as an example of a just medium-size enterprise. He quotes the Quaker Bader, who stated that “the experience gained during many years of effort to establish the Christian way of life in our business has been a great encouragement; it has brought us good results in our relations with one another as well as in the quality and quantity of our production.”¹⁶⁰

Bader transformed the employees of the company into partners of the Bader Commonwealth who could not be fired except for “gross personal misconduct.” And the Commonwealth had the power to “confirm or withdraw the appointment of directors and also to agree to their level of remuneration.” But its members agreed that pay levels should “not vary, as between the lowest paid and the highest paid, irrespective of age, sex, function or experience, beyond a range of 1:7, before tax.” They also stipulated that “the firm shall remain an undertaking of limited size, so that every person in it can embrace it in his mind and imagination. It shall not grow beyond 350 persons or thereabouts.”¹⁶¹

Schumacher pointed out that “Bader set out to make 'revolutionary changes' in his firm, but 'to do this by ways and means that could be generally acceptable to the private sector of industry'. His revolution has been bloodless; no one has come to grief, not even Mr. Bader or his family; with plenty of strikes all around them, the Scott Bader people

¹⁵⁷ *Good Work*, 26-27; Wood, 264-65.

¹⁵⁸ For more on Schumacher and Distributism, see Joseph Pearce, “The Education of E. F. Schumacher,” at <http://distributist.blogspot.com/2007/01/education-of-e-f-schumacher.html>. At this web site there are also many other links to articles on distributism and how it differs from capitalism and many forms of socialism. For Tawney, see Ross Terrill, *R. H. Tawney and His Times; Socialism as Fellowship* (Cambridge, MA: Harvard University Press, 1973).

¹⁵⁹ Wood, 342.

¹⁶⁰ *Small Is Beautiful*, 266, 282.

¹⁶¹ *Ibid.*, 276.

can proudly claim: 'We have no strikes.'"¹⁶²

Schumacher had still other ideas as to how to structure private enterprise so that it operated more for the public gain without discouraging individual initiative and innovation. Although, like the British Labour Party, he supported nationalization of some industries, he also wrote: "I am convinced that, in normal circumstances, nothing would be gained and a great deal lost if a 'public hand' were to interfere with or restrict the freedom of action and the fullness of responsibility of the existing business managements."¹⁶³

What is most important about his thoughts on industrial society, however, is not any specific proposals that he had to improve it, but his realization that no industrial societies, whether capitalist, socialist, or communist, were living up to the ideals they professed, and that for humanistic and ecological reasons it was essential to evolve in a more sustainable and wiser direction. That had to be the goal. To find the best means he encouraged small scale experiments like the Scott Bader Commonwealth and the Intermediate Technology Development Group. As he said about one of his ideas for restructuring "large-scale ownership without revolution, expropriation, centralisation, or the substitution of bureaucratic ponderousness for private flexibility":

It could be introduced in an experimental and evolutionary manner—by starting with the biggest enterprises and gradually working down the scale, until it was felt that the public interest had been given sufficient weight in the citadels of business enterprise. All the indications are that the present structure of large-scale industrial enterprise, in spite of heavy taxation and an endless proliferation of legislation, is not conducive to the public welfare.¹⁶⁴

This gradualist approach as to means, but radical in terms of his final goal, runs throughout his writings. A few examples will illustrate the point.

Of course if one simply says, What you are doing is terrible and you are this or that, and denounces it, then one doesn't get the best cooperation. But one can convince, if not the organizations, at least people in the organizations, that something, some reorientation, is necessary and that they have the resources and they can do it without any strain.

My formula for this is a lifeboat. I have persuaded some big farmers in England to have a lifeboat, to separate out a bit of their land, which they don't need for making a living—they make their living on 95 percent of their land, and take 5 percent and run this as an organic unit or experimental unit to try to minimize their dependence on a very sophisticated and vulnerable industrial system. Well, after some persuasion this is actually happening. They are hard up as to who is going to manage this, because we haven't trained any people in non-chemical methods of farming. And of course it is harder now than it was fifty years ago, because the standardized farming, the chemicals, virtually irrespective of the quality of the soil, has lost us the traditional knowledge. . . . of how really to cooperate with the soil. . . . [but] it has to be regained.¹⁶⁵

In discussing the development of more "human-scale technology," he gave a few examples of a similar "lifeboat" approach and then added:

¹⁶² *Ibid.*, 282.

¹⁶³ *Ibid.*, 287.

¹⁶⁴ *Ibid.*, 292.

¹⁶⁵ *Good Work*, 62-63.

These are just a few indications of what I know can be done and needs to be done now. It requires systematic work. I don't think it requires a large part of the resources of a rich society. I would say 95 percent of the research and development people can play their games as before, but 5 percent should be diverted relevant to the future. Not that I would limit it to that, I would be happier if the percentage was greater; I just want to indicate how modest my proposals are.¹⁶⁶

The Environment

In *Small Is Beautiful* Schumacher quoted a statement that he had made six years earlier that “ecology, indeed, ought to be a compulsory subject for all economists.”¹⁶⁷ In emphasizing as early as the mid 1950s major environmental problems, especially the exhaustion of non-renewable resource like oil, he was way ahead of his time. In the twenty-first century, one historian has written that environmental changes “will appear as the most important aspect of twentieth-century history, more so than World War II, the communist enterprise, the rise of mass literacy, the spread of democracy, or the growing emancipation of women.”¹⁶⁸ But even today, many historians pay little attention to environmental issues. Certainly a major reason for regarding Schumacher as a wise man is his early insights into environmental concerns and his suggestions for dealing with them.

His interest in environmental issues became evident in the mid 1950s—years ahead of the establishment of the U. S. Environmental Protection Agency and the first Earth Day, both in 1970—when he presented a paper on “Population in Relation to the Development of Energy from Coal” at the World Population Conference in Rome in 1954 and in his 1955 paper “Economics in a Buddhist Country.” The later resulted from his trip to Burma. In his first paper he indicated the connection between global population growth and increasing energy demands, and in the second he stated that “a civilization built on renewable resources, such as the products of forestry and agriculture, is by this fact alone superior to one built on non-renewable resources, such as oil, coal, metal, etc. This is because the former can last, while the latter cannot last. The former cooperates with nature, while the latter robs nature. The former bears the sign of life, while the latter bears the sign of death.”¹⁶⁹

Although Schumacher’s calculations on future population and energy resources and use underestimated the numbers, he was correct in emphasizing the significant environmental effects of population growth. It “would presumably be associated with increased urbanization and a substantial intensification of agriculture, both of which would make heavy demands on fuel supplies. A certain increase in the per capita use of energy would probably be needed simply to prevent living standards from falling. A further increase would be required to improve living standards.”¹⁷⁰ Already in the mid 1950s he realized what the two major factors affecting the twentieth-century global

¹⁶⁶ Ibid., 61.

¹⁶⁷ Ibid., 134.

¹⁶⁸ J. R. McNeill, *Something New under the Sun: An Environmental History of the Twentieth-Century World* (New York, 2001), 4; in my *Age of Progress?*, Ch. 6, I am indebted to this book and have attempted to sum up some of the major environmental developments of the twentieth century.

¹⁶⁹ His 1954 paper was later published as “On Population and Energy Use,” *Population and Development Review*, 5 (Sep., 1979), 535-541. The 1955 quotation is taken from Nancy Jack Todd, “E. F. Schumacher, an Appreciation,” at http://www.smallisbeautiful.org/about/biographies/schumacher_full_bio.html.

¹⁷⁰ Schumacher, “On Population and Energy Use,” 536.

environment would be: population growth and economic activities, especially industrialization and increased consumption. And he recognized that scientific and technological developments were the driving forces behind these increases that would put increasing pressure on non-renewable resources and increase urbanization, pollution, and other threats to the environment.

To realize how farsighted he was a further look at some basic statistics is in order. From 1900 to 1950, world population increased from 1.6 billion to 2.5 billion, and then reached 6 billion in 1999. By the 1990s the world was using twice as much cropland, 9 times as much freshwater, and 16 times as much energy as in the 1890s. During the century the world's forests, much of it tropical forest lands, decreased by about one-fifth, mainly due to increased demand for timber and conversion of forest lands to farmlands. And whereas only about one-sixth of the world's population lived in urban areas in 1900, around half did in 1999. By then slum dwellers comprised about one-third of the overall global urban population.¹⁷¹

Schumacher's interest in proper land use was clearly evident in the early 1950s when he began practicing organic gardening and joined the Soil Association. One of his chapters in *Small Is Beautiful* is entitled "The Proper Use of Land." In it he furnished a long quote from a 1955 book on ecology that observed that throughout much of history "man usually changed or despoiled his environment."

How did civilised man despoil this favourable environment? He did it mainly by depleting or destroying the natural resources. He cut down or burned most of the usable timber from forested hillsides and valleys. He overgrazed and denuded the grasslands that fed his livestock. He killed most of the wildlife and much of the fish and other water life. He permitted erosion to rob his farm land of its productive topsoil. He allowed eroded soil to clog the streams and fill his reservoirs, irrigation canals, and harbours with silt. In many cases, he used and wasted most of the easily mined metals or other needed minerals. Then his civilisation declined amidst the despoliation of his own creation or he moved to new land.¹⁷²

Schumacher followed up this quote by stating that land use should "be primarily orientated towards three goals—health, beauty, and permanence. The fourth goal—the only one accepted by the experts— productivity, will then be attained almost as a by-product. He also thought that agriculture should "keep man in touch with living nature" and humanize his "wider habitat." In a later chapter, he observed that "modern agriculture relies on applying to soil, plants, and animals ever-increasing quantities of chemical products, the long-term effect of which on soil fertility and health is subject to very grave doubts." In that same chapter he praised the Soil Association for its more ecologically sound agricultural practices.¹⁷³ During the last year of his life, Schumacher narrated a film, *On the Edge of the Forest*, in which he stands by a west Australian forest as chainsaws, bulldozers, and fires destroy part of it. He talked movingly about unwise it

¹⁷¹ These figures are cited with some references in the chapter on the environment in my *An Age of Progress?*, 156-60, 166. In *Small Is Beautiful*, 67-71, Schumacher writes of urbanization and slums, including those in Lima, Peru, where he visited in 1967.

¹⁷² *Small Is Beautiful*, 103.

¹⁷³ *Ibid.*, 112-13, 158-59.

was for humans to deforest so many lands and how our attitude toward land, trees and other aspects of nature should be more humble and reverent and less rapacious.¹⁷⁴

His chapter on land use in *Small Is Beautiful* was followed by ones on “Resources for Industry” and “Nuclear Energy.” In both of these chapters, as well as in scattered other portions of his book, he dealt with one of his main concerns for many years—the consequences of the accelerating use and rapid depletion of the world’s energy and other primary resources. “We have indeed been living on the capital of living nature for some time, but at a fairly modest rate. It is only since the end of World War II that we have succeeded in increasing this rate to alarming proportions. In comparison with what is going on now and what has been going on progressively, during the last quarter of a century, all the industrial activities of mankind up to, and including, World War II are as nothing.”¹⁷⁵

He paid special attention to the gobbling up of world resources by the United States. “For the 5.6 per cent of the world population which live in the United States require something of the order of forty per cent of the world's primary resources to keep going.” Such a rapacious consumption he thought “could be called efficient only if it obtained strikingly successful results in terms of human happiness, well-being, culture, peace, and harmony.” But, he added, it had failed to do so. He also called attention to the “ever-increasing dependence of the United States economy on raw material and fuel supplies from outside the country”—a problem that only increased in the decades after his death. This increasing dependence had implications far beyond environmental ones, as did his prediction that most non-renewable resources would become more costly and more a source of global contention. He also realized the potential of recycling for reducing both the exhaustion of resources and pollution.¹⁷⁶

We have seen at the beginning of this essay that he was concerned about air and water pollution. He possessed a few of Rachel Carson’s books in his personal library, including her groundbreaking 1962 study, *Silent Spring*, which helped to launch the environmental movement of the late twentieth century. Her judgment was that “our waters have become almost universally contaminated with insecticides” and other pollutants.¹⁷⁷ Although Schumacher did not mention her in *Small Is Beautiful*, he did refer to some of the same pollution sources. “Scientists and technologists have learned to compound substances unknown to nature. Against many of them, nature is virtually defenceless. There are no natural agents to attack and break them down. . . . These substances, unknown to nature, owe their almost magical effectiveness precisely to nature's defencelessness— and that accounts also for their dangerous ecological impact. It is only in the last twenty years or so that they have made their appearance *in bulk*. Because they have no natural enemies, they tend to accumulate, and the long-term consequences of this accumulation are in many cases known to be extremely dangerous, and in other cases totally unpredictable.”¹⁷⁸

¹⁷⁴ At present (May 2010) the film can be viewed or downloaded at <http://www.archive.org/details/OnTheEdgeOfTheForest>.

¹⁷⁵ *Small Is Beautiful*, 17-18.

¹⁷⁶ *Ibid.*, 119, 121-22; *Good Work*, 105.

¹⁷⁷ Rachel Carson, *Silent Spring*, Fawcett Crest Book ed. (Greenwich, CN, 1964), 44, 46.

¹⁷⁸ *Small Is Beautiful*, 18.

As we have seen, he was most concerned with nuclear pollution. “What, after all, is the fouling of air with smoke compared with the pollution of air, water, and soil with ionising radiation? Not that I wish in any way to belittle the evils of conventional air and water pollution; but we must recognise 'dimensional differences' when we encounter them: radioactive pollution is an evil of an incomparably greater 'dimension' than anything mankind has known before.” He also wrote that “of all the changes introduced by man into the household of nature, large-scale nuclear fission is undoubtedly the most dangerous and profound. As a result, ionising radiation has become the most serious agent of pollution of the environment and the greatest threat to man's survival on earth.”¹⁷⁹

In his Epilogue to *Small Is Beautiful* he offered his concluding thoughts on pollution. He maintained that the struggle against pollution could not be successful unless the “patterns of production and consumption” changed. He added that “mankind's population and consumption of resources must be steered towards a permanent and sustainable equilibrium. And he quoted a report that stated “Unless this is done, sooner or later . . . the downfall of civilisation will not be a matter of science fiction. It will be the experience of our children and grandchildren.”¹⁸⁰

Legacy and Conclusion

A decade into the twenty-first century Schumacher's influence is readily evident. Ironically, however, many of those who have been influenced by him have been so indirectly and may not even realize it. This is especially evident in the environmental movement. Most pro-environment young people concerned about conservation, pollution, deforestation, and recycling probably have not even heard the name E. F. Schumacher. But back in the 1970s many younger people knew of him and embraced his ideas, and some of them have influenced today's youth.

Among older environmentalist, Schumacher is better known, and some of them have done much to promote his ideas. In England there is the Schumacher Circle, which is described well on the web site of *Resurgence*, which is today a non-profit trust that oversees the publication of a magazine of the same name and one to which Schumacher contributed decades ago. The web site states:

There are many organizations that owe their existence to, or have been greatly inspired by, E.F. Schumacher. His books and other writings are still thought-provoking. . . . The range of his thinking is reflected in the diversity of the organisations that recognise him as their inspiration: they share a vision of social development that is sustainable and benign to both people and the environment.

The Schumacher Circle comprises

- [Green Books](#)
- [Practical Action](#)
- [The New Economics Foundation](#)
- [Resurgence Magazine](#)

¹⁷⁹ Ibid., 135, 140.

¹⁸⁰ Ibid., 295-96.

- [Schumacher College](#)
- [The Schumacher Society](#)
- [Schumacher Book Service](#)
- [The Soil Association](#)

It is an informal network of organizations which in their different ways all build on Schumacher's legacy. They have a common concern with developing ideas and approaches to the ecological, technological, social and spiritual predicament which is faced by the world's population.¹⁸¹

Several of the groups mentioned above were ones that Schumacher founded or was very active in such as Practical Action, earlier called the Intermediate Technology Development Group, and the Soil Association. The current editor of *Resurgence*, Satish Kumar, has recently described a bit of his involvement when still young with Schumacher and has written that his "*Small is Beautiful* gave a philosophical, spiritual and economic grounding to the environmental movement."¹⁸² Besides the British organizations mentioned above, there are Schumacher societies in several other countries, including a very active one in the United States.¹⁸³

Besides Schumacher's influence on the environmental movement, he has also had a noticeable effect on thinking about developmental aid to poor countries, though often not as much on official government aid programs as on non-governmental ones.¹⁸⁴ Until recently, however, his impact on main-stream economics has not been especially noticeable. But in recent years the ideas of some leading economists have come closer to those that he emphasized decades ago.

The best example of this is the 2009 report commissioned by French President Nicholas Sarkozy and headed by Nobel-Prize-winning economist Joseph Stiglitz with the able assistance of others including another recipient of the prize, Harvard economist Amartya Sen. Although there is no mention of Schumacher in the 291-page document, sometimes called the Stiglitz-Sen report, it recommends many steps he first advocated decades ago.

In the "Executive Summary" before the body of the report, its authors pose the question: "What are the main messages and recommendations?" To which they reply:

The report distinguishes between an assessment of *current well-being* and an assessment of *sustainability*, whether this can last over time. Current well-being has to do with both economic resources, such as income, and with non-economic aspects of peoples' life (what they do and what they can do, how they feel, and the natural environment they live in). Whether these levels of well-being can be sustained over time depends on whether stocks of capital that matter for our lives (natural, physical, human, social) are passed on to future generations.

¹⁸¹ <http://www.resurgence.org/education/schumacher-circle.html>.

¹⁸² <http://www.resurgence.org/magazine/article317-environmental-narratives.html>.

¹⁸³ Their web site is <http://www.smallisbeautiful.org>.

¹⁸⁴ See, e. g., various references to Schumacher in David Ellerman, *Helping People Help Themselves: From the World Bank to an Alternative Philosophy of Development Assistance* (Ann Arbor: University of Michigan Press, 2006).

The summary also states that “another key message, and unifying theme of the report, is that the time is ripe for our measurement system to shift emphasis from measuring economic production to measuring people’s well-being.”¹⁸⁵

Time and again Schumacher had insisted on conclusions this report arrived at more than three decades after his death: using economic growth rates as a measurement of a country’s success was misleading; countries placed too much emphasis on increasing production; and economists and government officials had to pay more attention to the environment and sustainability. The language the report uses is sometimes slightly different than that of Schumacher. In his day, for example, economic growth was mainly calculated by increases in GNP, as opposed to the more common GDP of today. But his message was the same—“the common criterion of success, namely the growth of GNP, is utterly misleading,” and “the quality of life—not the quantity— yes, that’s what matters. GNP, being a purely quantitative concept, bypasses the real question: how to enhance the quality of life.”¹⁸⁶ And rather than “sustainability,” he usually used the word “permanence,” as when he called for “a relationship of man to nature which guarantees permanence,” or wrote “we must . . . begin to see the possibility of evolving a new life-style, with new methods of production and new patterns of consumption: a life-style designed for permanence.”¹⁸⁷

Besides the Stiglitz-Sen report, another long document that reflects many of Schumacher’s ideas—again without mentioning him—is the United Nations Environment Programme (UNEP) 2008 report of 352 pages entitled *Green Jobs: Towards Decent Work in a Sustainable, Low-Carbon World*.¹⁸⁸ These two reports followed up on an increasing trend toward criticizing an over-reliance on economic growth (as measured by GDP increases) as a standard for improved well-being.

For the last decade various studies have indicated that people in the world’s most prosperous countries increasingly measure their own well-being by values other than material ones. The director of the prestigious World Values Survey noted already in 2000 that “postmodern values give priority to environmental protection and cultural issues, even when these goals conflict with maximizing economic growth” and that the “shift from materialist to postmaterialist values is only one aspect of a much broader shift from modern to postmodern values that is taking place throughout advanced industrial society.”¹⁸⁹ A 2002 study used by the British government found that “the relationship between economic growth and changes in life satisfaction appears weak—and certainly much weaker than would have been expected on the basis of cross-national association between GDP per capita and average life satisfaction.” That same study concluded that people “tend to overestimate the pleasure that they will derive from a given purchase. . . . Similarly, evidence indicates that people tend to overestimate the importance of income

¹⁸⁵ The report is available at http://www.stiglitz-sen-fitoussi.fr/documents/rapport_anglais.pdf.

¹⁸⁶ *Small Is Beautiful*, 193-94; *Good Work*, 126.

¹⁸⁷ *Small Is Beautiful*, 21, 33, 34.

¹⁸⁸ The UNEP report is available at http://www.unep.org/labour_environment/PDFs/Greenjobs/UNEP-Green-Jobs-Report.pdf. Many traditional economists continue to reject such “green” economic approaches as reflected in the UNEP report. See, e.g., the 97-page paper of Andrew P. Morriss, et al., “Green Jobs Myths” at <http://www.instituteforenergyresearch.org/wp-content/uploads/2009/03/morriss-green-jobs-myths.pdf>.

¹⁸⁹ Ronald Inglehart, “Globalization and Postmodern Values,” *The Washington Quarterly* 23 (Winter 2000), 223, www.twq.com/winter00/231Inglehart.pdf.

for their well-being.” An annex to this work refers to various alternate wellbeing indices, many of them reflecting an attempt to consider environmental and other factors often ignored in measuring GNP or GDP. These indices indicate two important points: 1) that measuring economic growth by such measures as increases in GDP is by itself an inadequate tool to measure overall progress, and 2) when factoring in environmental and other changes, some countries that displayed considerable GDP growth actually regressed in overall wellbeing.¹⁹⁰

While it is true that the recent “Great Recession” has created much anxiety and led many people to refocus once again on increasing GDP, the type of problems that Schumacher, Stiglitz, Sen, and the UNEP have found with an overemphasis on economic growth at the expense of the environment and other concerns will not go away. The April 2010 British Petroleum oil spill in the Gulf of Mexico is just the latest reminder.

Yet, as important as Schumacher’s thinking was about the interrelationship of economics and the environment, his ideas about the relation of both to wisdom is perhaps even more significant. Although he never provided an exact definition of wisdom, he indicated that it involved overcoming egoism, as well as developing such values as love, compassion, understanding, and empathy. And he believed that we needed to be guided by wisdom in all phases of our individual and social lives.

Schumacher realized that imperfection was part of the human condition, and he was not utopian in the sense of being unrealistic. As this essay has indicated, he was not always wise or always right. But very few influential modern thinkers have emphasized wisdom more. And what is most important is not his proposed solutions to any problem, but his criticisms and his insistence that we approach issues with a hierarchy of values that places wisdom, goodness, truth, and beauty at the top of the list.

Today, more than three decades after Schumacher’s death, many of the problems he faced are similar to ones we now confront. But we also have new ones that he did not address like man-made climate change and nuclear terrorism. But these two problems, like most of those he dealt with, have resulted from scientific and technological changes that have hurled us forward and threatened to outpace our ability to deal with them wisely, and we need wisdom more than ever to deal with all the choices and problems these two motors of the modern age have presented us.¹⁹¹ At a time when technology, economics, and the environment continue to be as important as Schumacher believed they were decades ago, and at a time when decisions about them are still often made unwisely, we need to remind ourselves that such decisions need to be made as Schumacher insisted they should—in keeping with the highest human values.

¹⁹⁰ Most of this paragraph is borrowed from my *Age of Progress?*, 266-67. For a recent work that argues that progress should not be equated with increased consumption, see Bill McKibben, *Deep Economy: The Wealth of Communities and the Durable Future* (New York, 2007). McKibben is very much in the Schumacher tradition and delivered one of the main lectures at the Twenty-ninth Annual E. F. Schumacher Lectures in 2009. See <http://www.smallisbeautiful.org/publications/mckibben.html>.

¹⁹¹ For more on this need, see <http://www.wisdompage.com/MossOnWisdom.html>, which contains an excerpt from my *Age of Progress?*, 263-66, and my essay “Goal, Values, and Wisdom, at <http://www.wisdompage.com/GoalsValuesandWisdom.html>.