

# Small is beautiful – college essay



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Summary of Small is Beautiful: Small is beautiful was published in 1973 its main message was to include people in economics. Schumacher looks at our economics system and criticises it. He describes how humans' impacts economics and it's not always in a good way. His aim was to warn us about how our use of resources is impacting our environment in a very dangerous way. Also Schumacher didn't agree with the statement the bigger the better instead he said " Man is small and therefore small is beautiful" (pg131). In his eyes the bigger a company or country grows the bigger the problems and more likely it would self-destruct.

He found that it was better to be small and it was more efficient and free. The Author: EF Schumacher To truly understand Small is Beautiful one must look at EF Schumacher's background. EF Schumacher was born on the August 16th 1911 in Bonn, Germany and died on September 4th 1977. He was and still is one of the most influential economists in Britain. He studied in Bonn, Berlin, Oxford and Columbia University on New York City to obtain his diploma in economics . Schumacher moved to England where he helped the government financially during the Second World War.

He also taught in Oxford, a position found by his friend John Maynard Keynes. After the War he was appointed Chief Economic Advisor to the National Coal Board and it is here where he developed the idea that the world sees non-renewable resources as income not capital. In 1955 Schumacher went to Burma as an economic consultant where he developed the idea of Buddhist Economics. He was deeply influenced by his friend and fellow people's economist Mahatma Gandhi. He was also interested in religion especially

Catholicism as he uses many quotes from the bible in his book. In 1973 Small is Beautiful was published a collection of his essays.

Opinion of the book Similarities: Having had read Small is Beautiful by EF Schumacher I would have to say there are similarities between Schumacher's ideas and the current economic situation in Ireland. In part 1 The Modern World, one key aspect Schumacher talks about is our failure to differentiate income and capital. In his essay Problem of Production he uses fossil fuels to explain this. From the beginning of time we have always treated natural resources for example oil and gas as income when they really should be treated as capital since they can never be used again.

There is no or very little effort in conserving it and as a result there is a huge impact we are destroying Earth. " Fossil fuels are merely a part of the ' natural capital' which we steadfastly insist on treating as expendable, as if it were income, and by no means the most' important part. If we squander our fossil fuels, we threaten civilization; but if we squander the capital represented by living nature around us, we threaten life itself. "(Pg5line29-35). Similarly Ireland is highly dependent on oil for everyday use for example transport and heating.

Although people are looking at alternatives for oil it is a very slow and long process. The supply of oil is decreasing every day and the demand of oil is increasing therefore increasing the price. In Ireland it has risen over the last number of year's . now in Ireland on average its 1. 40 euro for diesel for a litre of diesel and 1. 50 euro for petrol. The graph below from (<http://www.paulchefurka.ca/Population.html>) shows the millions of barrels produced

each day and what year the oil will eventually disappear. Another key aspect he discusses is personal enrichment.

Schumacher believes that man's wisdoms and sense of control goes out the window when he is overcome by greed. "A man driven by greed or envy loses the power of seeing things as they really are, of seeing things in their roundness and wholeness, and his very successes become failures". (pg18 line 25-25) This quote from Schumacher literally sums up the cause of the current recession in Ireland. People were overcome by the emotion greed and envy during the Celtic Tiger. For the first time in Irish history, people had money to spend.

People were obsessed with getting rich and once they got a taste of it they wanted more and more whatever the results. Everyone wanted a part in the property bubble. The prices of houses doubled or trebled as a result of this high demand. They were overvalued. But as the housing prices increased, so did the dangerous lending. Banks gave out more loans than they should have to people who had no way of paying them back. People were surviving on borrowed money and as a result the banks collapsed as they did not get it back. In Part 2 Schumacher describes the value of resources in our society.

In technology with a human face he describes how technology has affected us. Although it has the advantage of doing most of the work Schumacher believes that we are missing out on what we love most working with our hands and brains. "Virtually all real production has been turned into an inhuman chore which does not enrich a man but empties him" (Pg. 124) In part 3 The Third World Schumacher describes our (rich world) failure in

helping the developing world . Although we give them aid it is simply not enough and as a result is only given to the city as they believe that it will expand and take over the population.

As a result of our obsession with material we don't see the real factors that can truly help them education organizational and discipline. The gift of knowledge is what will set them free. " Give a man a fish as the saying goes and you are helping him a little bit for a short while; teach him the art of fishing, and he can help himself all his life"(pg. 163). In the 21st century Ireland is one of the most generous countries to give out money. However it is not enough we think just by giving money it will solve their problems we think " What is good for the rich must also be good for the poor" (PG 140).

That is clearly not the case and until we take action on it the rich will dominate over the poor and the poor will keep getting poorer and poorer. What the Government or its policy makers should be informed of from this book: I think this book would make the Government accept the idea that there is a limit to growth. Schumacher main message in the book is that there is only a certain amount of resources in this world and if we keep using these resources we won't be able to grow indefinite.

It is impossible. As Schumacher says" it does not require more than a simple act of insight to realise that infinite growth of material consumption in a finite world is an impossibility" (Pg. 98). Maybe if the government read his book we wouldn't be in the mess we are in now. Also I think the government should use the idea of Buddhist Economics. The Buddhist Economics lead a

very simple life. They are self-sufficient. They use their own local resources and do not depend on imports. They have no interest in materialism.

From the point of view of the Buddhists the function of work is “ to give a man a chance to utilise and develop their faculties; to enable them to overcome their egocentredness by joining with other people in a common task; and to bring forth the goods and services needed for a becoming existence”. (pg. 39)While in Ireland it is seen as a chore, a cost and an unwanted necessity in life. I think if Ireland was under the view of the Buddhist Economics we wouldn't be in a recession as there would be obsession money and personal enrichment which is the reason we are in this crisis.