

GANDHIAN ECONOMIST, E.F. SCHUMACHER

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Loknayak Jayaprakash Narayan wrote in his prison diary (1976) "As I read E. F. Schumacher's article a whole host of memories crowded in my mind. The most vivid of them was how on two occasions I had E. F. Schumacher invited (by the Planning Commission) how he visited Sokhodeora, spoke and stayed at Varanasi Institute and generally stimulated Gandhians, the academicians, the scientists and others. On his last visit Mrs. Gandhi made him stay for 45 minutes (D. P. Dhar, Deputy Chairman of the Planning Commission had given him only 10 minutes and had expected the P. M. too to give him no more time) Mrs. Gandhi at the end of the interview asked Schumacher to give her in writing a few points on which she could ask her economic advisers to work. This Schumacher did. But nothing came out of it. As Schumacher himself writes in his article 'Alternatives in Technology' "Government is never more than the executive of the prevailing system, implementing that system's philosophy".

In India the tiny layer of the elite barring rare individuals wants more technology, more industrialisation. more mechanization and chemicalisation of agriculture. This is the ethos of modernism in India so even if Schumacher momentarily impressed Mrs. Gandhi by his simple thesis; the systems philosophy buried it deep down".

Who is this E.F. Schumacher whom J.P. had made reference to?

E. F. Schumacher, hailed as "Western Gandhi" was born on August 16th 1911 in Germany. He did not like to live in a country ruled by a dictator (Hitler) and so he decided to leave his country and settle in U. K. He was a student of Oxford University and did his doctoral research at Columbia, where he also worked as a Lecturer. He returned to England during the II World War and worked in a farm as a daily wage earner to earn his livelihood. At that time he wrote an article on how the world's monetary system should be reformed which impressed Maynard Keynes, the well known economist in those days. After the war he went to Germany as an economic adviser and helped in the reconstruction of its war torn economy. In 1950 he was appointed as economic adviser to the National Coal Board of England and he played key role in distributing the main business of the Board into 17 Semi autonomous areas because he believed that autonomy and decision making at a relatively lower level were essential to human working conditions. He advocated decentralisation of the economy to the maximum possible extent. A converted Roman Catholic, he says that he is much influenced by religious teachers and social reformers like Jesus, Buddha and Gandhi.

It was with his experience in Burma as an economic adviser to the Burmese Prime Minister that he realised the limitations of resources and knowhow faced by the Third World. He realised that sophisticated or modern technology of the rich countries cannot be imitated by the underdeveloped countries because apart from its feasibility it disrupts the functional fabric of the culture. The technologies applied by the rich are the result of development and not cause of development. Moreover this sophisticated technology is termed as "Violent Technology" by Schumacher. The violence of modern technology is clearly expressed in the form of nuclear energy which is posing a threat to world peace. Even modern agricultural technology is violent as man sees his relationship to nature as one of warfare, tries to increase agricultural production by chemical fertilisers which do a lot of damage to the natural components of the soil without even trying to develop alternative methods of farming. No official research is being done in this aspect. Even in the field of modern medicine, medicine has embraced violence with the result that health services in most developed countries are unable to cope with the ever mounting Psychological problems in general and in particular with modern or violent technologies. The solutions that are appears to be effective and glamorous for the rich countries, when the poor countries try to imitate it which proves to be ruin some to them ultimately.

In order to evolve a suitable technology, suitable to under developed countries he set up an Intermediate technology group in London in 1966. This group published manuals providing information regarding how to produce locally the various labour intensive technologies. Field work was carried on in many developing countries like Ghana, Nigeria, Botswana, Kenya, Tanzania, Zambia etc. recognizing the relevance of Schumacher's ideas to local problems. The American Govt. established a national centre for appropriate technology in Butte, Montana with a budget of 3 million dollars. Rural communities in many affluent societies too are beginning to appreciate the utility of intermediate technology, i.e. a small machine to produce egg cartons that his group has developed for use for the farmers of Zambia is in great demand even in rich countries. E.F. Schumacher had attracted worldwide attention through his book "Small is beautiful" published in 1973. He gave a moving expression of his philosophy of Intermediate Technology not only in his best seller "Small is Beautiful" but also in his various speeches and interviews. The intermediate technology should consist of the following four important criteria (a) Non-violence (b) Smallness (c) Simplicity and (d) Capital Cheapness. These four criteria need not be satisfied in every case but the satisfaction of any of them or a combination of them is essential. The innumerable examples he often quotes show that **not mass production but production for masses, economics in which people matter most, production not according to one's greed but according to one's need**, will reveal how he viewed economics from humanitarian angle. It is in this context that Indian planning and developmental programs should be viewed in the light of Schumacher's analysis of intermediate technology. Indian planners till now in spite of their vocal stress on small scale industries have committed a grave mistake in the selection of appropriate technology. Our developmental strategy is based on large scale industries which absorbed a major portion of our investment resources in a country where availability of capital is very scarce. We just imitated the developmental strategy of the advanced industrialised countries without paying due consideration to the pragmatic conditions of our society, i.e. increasing population, lack of infrastructure. The result being that after five year plans what we have achieved millions unemployed apart from underemployed, a spiraling inflation with number of our people living below the poverty line. This may entirely be attributed to the wrong priorities in planning, and because of our inability to select appropriate technology suitable to our country.

Schumacher visited India in the year 1973 and in one of the interview, he stated that it is not in India but in China that Gandhian ideas were implemented. According to him Gandhi is one of the great modern economists that this age has produced. I would like to bring to the notice of the readers to the ideas of Dr. Ram Manohar Lohia, one of the original thinkers of our times. Dr Lohia with his ample foresight coupled with a clear understanding of the Indian economic situation advocated "Small Unit Machine" in 1950' itself. But it is an irony that Dr. Lohia was ignored by the native wizards and the same "Small Unit Machine" when advocated by a foreigner was applauded. In his "Fragments of a World Mind" Dr Lohia writes "India has neither the skill and the resources, nor even the economic framework for large scale industry and large unit machinery. Large scale industry and techniques were possible in imperial countries. I do not think that the effort can be repeated even apart from the question of desirability. She may not be able to make even a beginning if she plans her economic development in that direction. Her only hope is the spirit of inventiveness in the sphere of small unit machine; perhaps this conception of small unit machinery is also desirable from a social, cultural and world view point. Thus there is not only similarity of thought between Schumacher and Dr. Lohia but also in their perspectives of analysis. This great humanitarian economist E.F. Schumacher, for whom quality of life rather than quantity of goods mattered, whose voice pleaded so powerfully for people particularly for the poor in the third world, died on 4th September 1977 in Switzerland. But this message remains ever green as long as millions remain unemployed and under-employed in Asia, Latin America and Africa.