

## Slowing Down to Life: Revisiting Schumacher on Religion and Economics

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### *Uneconomic Growth*

THE US Department of Commerce reported last January that the US economy, emerging from a below zero slump period, had recorded a 0.2% growth during the first three months following the September 11<sup>th</sup> terrorist attack. Prior to this announcement, President Bush in his State of the Union address had disclosed the government's policy of drastically increasing the budget for military and anti-terrorist measures. This was going to double in the areas more closely related to the defense of US territory. Freedom and security cost a lot, but never too much, the Commander-in-chief asserted.

A newspaper reporter witnessed a high-tech corporate executive in Silicon Valley shout for joy while watching this speech on television.<sup>1</sup> It was reported that the military and high-tech industries that had been in a slump up until September, now started becoming powerful again. So did the energy industries, as the President's message urged for an increase in domestic energy production and decrease in reliance on foreign oil. It was around the same time that the Bush Administration and the now bankrupt energy distributor giant, Enron, were suspected of being in an illicit relationship.

With this news, the Bush Administration entered its second year. I do not

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<sup>1</sup> *The Asahi Shimbun*, January 31, 2002.

doubt that the September 11<sup>th</sup> attack came like a bolt out of the blue for the US government. It is important, however, to remember that there is nothing new about its policy of a sharp increase in the military budget and fossil fuel production and consumption, which had been there as a political platform even before Bush was elected President. As soon as the new administration was formed, it shocked the world by breaking away from the Kyoto Protocol on global warming, arguing that economic growth was the main interest and thus, the priority of the US had to come before anything else. In order to maintain steady economic growth, it asserted, one or two new power plants needed to be built every week for the next twenty years. According to this administration, the need to develop a huge oil field was far more important than that of protecting the renowned Wildlife Refuge in Alaska and the necessity of expanding the nuclear power industry outweighed that of public safety. From the outset, the government's cozy relationship with the oil industry was an open secret. It is ironical that Bush's "economy first" policy that was under considerable pressure before September 11<sup>th</sup>, now seems to be enjoying smooth sailing with patriotic fervor among the public as its tailwind.

The so-called "War Against Terror" continues, and one of its main characteristics is consumerism. The Commander-in-chief has been telling the American public to keep on shopping; that the good patriot is a good consumer. General Motors has solemnly declared zero-interest sales "in order to protect our American Dream." There seems to be no one who cares about the difference between the "want" and the "need" (except perhaps for some anachronistic conservatives or radical greens). It is as if what we wanted, equaled to what we needed, and the "want" and the "need" would grow harmoniously and eternally.

And in fact, these zero-interest sales and consumerist patriotism did work. The 0.2% increase in GDP justifies all, just as the end justifies the means. And according to the same logic, a war or an environmental disaster would be justified as long as it served the purpose, i.e., economic growth. A war would be just. An ecological disaster could be good.

Such is the air of the age we breathe. We, the Japanese and the Americans, still believe in economic growth, letting ourselves be trifled with by the ups and downs of GDP indexes. How many times have we been told that GDP increases do not necessarily mean a good, rich and happy life? Yet we seem to be still bound by the same old myth of economic growth.

What is GDP anyway? "Gross Domestic Product"—an index measuring

the amount of the money flow—is the sum total of expenditure. What matters is whether it increases or decreases, not how and for what the money is spent, whether beneficially or harmfully for society and the natural environment.

Growth includes crime, emergency room charges, prison maintenance, dump fees, environmental cleanups, the cost of lung disease, oil spills, cancer treatment, divorce, shelters for battered women, every throwaway object along every highway, and liquor sold to the homeless.<sup>2</sup>

Thus GDP not only covers up social vices and ecological damage but translates, and even celebrates, them as economic gains. War, above all, as the largest-scale consumption, is the most effective in pushing up the GDP. As such, the economy of which well-being is measured by growth in the GDP, is akin to violence and destruction.

There are economists who acknowledge the dangers of such “growth economy”.

Under the current system of national accounting, a country could exhaust its mineral resources, cut down its forests, erode its soils, pollute its aquifers, and its wildlife and fisheries to extinction, but measured income would not be affected as these assets disappeared. . . . The result can be illusory gains in income and permanent losses in wealth.(Economist Robert Repetto)<sup>3</sup>

But do we really need an economist to tell us this? Don't we all know that the damage our economy causes in the environment is irreversible and permanent? Environmental destruction is no longer something in some far-off place. Innumerable Chernobyls and Minamatas are spreading across the Earth and surround all of us. We all know birds, insects and fish find our neighborhoods unlivable; our “sick houses” are no longer havens; food on our table can be dangerous and half our children have allergic diseases.

And don't we also realize that these are the prices we had to pay for economic growth? We must know, if not intellectually then physically or emotionally, that the GDP does not really measure the well-being of our neighborhoods, homes, food or bodies. Our houses, abundant with more

<sup>2</sup> Hawken, Lovins and Hunter Lovins 1999, p. 60.

<sup>3</sup> *Ibid.*, p. 61.

goods and products than ever before, are where we have less time or joy. Those of us who have kept running fast, aiming at a better future while investing in the “now”, are presently stunned to see the future has also been foreclosed to us. We know by now that the so-called “economic growth” is in fact “uneconomic growth”, don’t we?<sup>4</sup>

*Religion of Economics and Religious Economics*

In order to discuss religion and economics, it seems to me a good idea to revisit E. F. Schumacher’s *Small Is Beautiful* (1973), a textbook in my university days in North America, that taught me, for the first time, the concept, “religion of economics”. According to him for instance, “The religion of economics has its own code of ethics, and the First Commandment is to behave ‘economically’.”<sup>5</sup> Therefore, what is behaving “economically” or “uneconomically”?

It would be “uneconomic” for a wealthy seller to reduce his prices to poor customers merely because they are in need. . . . Equally, it would be “uneconomic” for a buyer to give preference to home-produced goods if imported goods are cheaper.<sup>6</sup>

It is economic to be indifferent to “innumerable qualitative distinctions which are of vital importance for man and society” and be neglectful of “man’s dependence on the natural world.”<sup>7</sup> This is inherent in economics. “It takes the sacredness out of life, because there can be nothing sacred in something that has a price.”<sup>8</sup> Sacredness, along with such originally non-economic values as love, beauty, health, can survive only if they prove to be “economic.” Such is the religion of economics that our society seems to embrace.

When revisiting *Small Is Beautiful*, we can find many clues to the crisis of the contemporary world, that are, not surprisingly, religious in nature.

Schumacher’s criticism of the religion of economics with its slogan, “more, further, quicker, bigger,” is as crucial today as it was thirty years ago. This so-called “religion” is now called “globalism.” If economics “cannot

<sup>4</sup> A term used by H.E. Daly in *Natural Capitalism*, pp. 60 and 355.

<sup>5</sup> Schumacher 1975, p. 47.

<sup>6</sup> *Ibid.*, p. 46.

<sup>7</sup> *Ibid.*, pp. 46–47.

<sup>8</sup> *Ibid.*, p. 48.

get beyond its vast abstractions,” such as the national income, the rate of growth, input-output analysis, etc., and if it cannot come in contact with the human realities of poverty, alienation, crime, stress, ugliness, spiritual death, etc., declares the economist, “then let us scrap economics and start afresh.”<sup>9</sup> This, then, is followed by a question, “Are there not indeed enough ‘signs of the times’ to indicate that a new start is needed?” Are there not enough signs, indeed? Do we still hesitate to answer positively to this question of all forms of terrorism in this post-September 11<sup>th</sup> age?

### *Three Logics, Three Time-frames*

Schumacher’s following statement from thirty years ago, which is even more urgently needed now than ever before, tells us a great deal about the “War Against Terror” of our times:

It is of little use trying to suppress terrorism if the production of deadly devices continues to be deemed a legitimate employment of man’s creative powers.<sup>10</sup>

Schumacher continues to say that the fight against environmental destruction will not be successful if the mode of production and consumption remains on such a large-scale, and is too complex and violent to fit into the laws of the universe. Likewise, the gap between the rich and the poor cannot be filled unless we rediscover the idea that “enough is good and more-than-enough is evil.”<sup>11</sup>

It is illusory, Schumacher argues, to believe that social and environmental problems will be solved simply by improving the means, i.e., more efficient technology, better education, scientific breakthroughs, discovery of new energy, etc. What is most needed is a revision of the ends themselves that these means are supposed to serve.<sup>12</sup>

This revision may amount to a religious conversion. Schumacher explains that there are three different logics at work in our world, namely, those of production, society and life. The logic of production should be a small and subservient part of the other two, but in actuality, however, it has gone out of control, tending to contradict, fight and even dominate them. This is the destructive nature of the modern world, and it is imperative that the logic of

<sup>9</sup> Ibid., p. 80.

<sup>10</sup> Ibid., p. 315.

<sup>11</sup> Ibid.

<sup>12</sup> Ibid., pp. 314–315.

production be brought back under the control of both the logics of society and life.<sup>13</sup>

This argument on the three logics was strongly echoed in a recent article by Paul Hawken, a leading American environmentalist known for his theories and practices in “eco-business.” He argues that we are now witnessing a clash of three different time-frames in the world. The first and most dominant today is the commercial one. He describes that:

Businesses are quick, welcome innovation in general, and have a bias for change. They are growing more quickly than ever before. They are punished if they do not. . . . The internet, global communications, and high-speed transportation are all making businesses move faster than before.<sup>14</sup>

The second of Hawken’s time-frames is cultural, which moves more slowly. He explains:

Culture provides the slow template of change within which family, community, and religion prosper. Culture provides identity, and in a fast-changing world of displacement and rootlessness, becomes ever more important.<sup>15</sup>

However, the third and slowest is the biological and geological time-frame, i.e., that of the earth, nature, the web of life, and evolutionary cycles. According to Hawken, it is a tragedy of our times for us to think and act as if we were able to somehow bypass and ignore these slow frames of time, or let them suffer under the tyranny of industrial and commercial time. Things that were once so valuable in the slow time-frames of culture and nature now tend to be seen as useless and worthless. However, Hawken reminds us that:

What makes life worthy and allows civilizations to endure are all the things that have negative financial returns under commercial rules of quick time: universities, temples, poetry, choirs, literature, language, museums, terraced fields, long marriages, slow walks, line dancing, and art. Most everything we hold valuable is slow to develop and slow to change.<sup>16</sup>

<sup>13</sup> Ibid., p. 315.

<sup>14</sup> Hawken 2002.

<sup>15</sup> Ibid.

<sup>16</sup> Ibid.

Under the reign of the fast time of business, however, languages, cultures, forests, and fisheries are being extirpated worldwide and the “South” is devastated. But that is not all! Hawken further notes that business, itself, is stressed by rapid change, and the people in the fast lane, even those who are benefitting, are exhausted physically, mentally and spiritually.

This can not and will not continue. Thus Hawken declares, “Slow time always reasserts itself.”<sup>17</sup>

### *Resurgence of Slowness*

Let us bring this argument back once again to Schumacher’s famous discussion on technology, where he explains why “small is beautiful,” namely:

I have no doubt that it is possible to give a new direction to technological development, a direction that shall lead it back to the real needs of man, and, that also means: to the actual size of man. Man is small, and, therefore, small is beautiful.<sup>18</sup>

Humans are small. That is to say humans live in a socially, culturally and naturally-defined and bound space and time. Human life can be only sustainable within the biological and cultural communities. I believe what Schumacher says about the spatial size appropriate to humans can also be said about the proper temporal pace and rhythm for humans. In Schumacher’s language, a new direction that leads technological development back to the real needs of man, should be towards the speed appropriate to man. Likewise, we may speak of the slowness that is essential to culture.

Culture is a web of interdependent relationships, both social and ecological. In any relationship, in any context, there should be a befitting pace, rhythm and tempo.

Schumacher points out that technology, though a human product, “tends to develop by its own laws and principles.” Characteristically, it does not seem to know where and when to stop its growth and development. By contrast, nature, including human nature, always does.

Greater even than the mystery of natural growth is the mystery of the natural cessation of growth. There is a measure in all natural things—in their size, speed and violence. As a result, the system of

<sup>17</sup> Ibid.

<sup>18</sup> Schumacher 1975, p. 169.

nature, of which man is a part, tends to self-balancing, self-adjusting, self-cleansing.<sup>19</sup>

Not so with technology, says Schumacher. It recognizes “no self-limiting principle” with regard to size, speed or violence, thus lacking a nature-like self-balancing, self-adjusting and self-cleansing mechanism.

After thirty years since these words were uttered, ours is still the age of what Schumacher nicknamed “the forward stampede.”<sup>20</sup> And in this age, much of what he said about technology is applicable to our economy and commerce.

To wake ourselves up from the dream of “eternal economic growth,” we may remember this; it seems as if cultures once recognized self-limiting principles, and were endowed with self-balancing, self-adjusting and self-cleansing functions.

I tend to believe that culture, by definition, is the self-limiting mechanism that equips society with what Schumacher calls “temperantia” (temperance), i.e., the power of “knowing when enough is enough,”<sup>21</sup> as found in unwritten laws, ethics, proprieties, manners, mythologies, solidarity, elders’ advice, grandmas’ stories, songs, dances, techniques, etc. And religion is the core of all these elements of the cultural mechanism.

It has been a while since this mechanism started failing. Accordingly, the bizarre society that demands to eternally grow bigger, faster and stronger, has spread like a cancer invading more and more into the natural world. Therefore, what we call the environmental crisis is, in fact, cultural failure in societies, characterized by the decline of appropriate smallness and slowness.

The role of religion, as the kernel of the cultural mechanism, is to restore a communication between Schumacher’s “logic of production” and “logic of life,” and to rediscover a terrain where Hawken’s economic time-frame merges again with that of the ecological one. With the help of religion, then, “uneconomy” could become real economy.<sup>22</sup>

<sup>19</sup> *Ibid.*, pp. 155–156.

<sup>20</sup> *Ibid.*, p. 164.

<sup>21</sup> *Ibid.*, p. 317.

<sup>22</sup> Someone may call such a vision “eco-economy,” following Lester Brown of the World-Watch Institute. Mauricio Wild, Ecuadorian educator, philosopher and designer of the remarkable system of alternative currency called SINTRAL, proposes “ecosimia” as an alternative to “economia.” Economy transforms itself into ecosimia by replacing its “no” with “si



On the last page of *Small Is Beautiful*, Schumacher writes, “Everywhere people ask: ‘what can I actually do?’” Suggesting that “the answer is as simple as it is disconcerting,” he gives one that is profoundly religious: “we can, each of us, work to put our own inner house in order.”<sup>23</sup>

He then continues, “The guidance we need for this work cannot be found in science or technology . . . but it can still be found in the traditional wisdom of mankind.”<sup>24</sup>

As the crisis of our greedy age deepens, we still need to ask the same question, “what can I do?” And in order to turn “uneconomy” into real economy, let us always start by putting our own inner house in order.

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(yes).” By this profound wordplay, Wild means that the conventional economy, on the one hand, is the “economy of denial and negation” that sacrifices the lives of people and ecosystems, while ecosimia, on the other hand, is the “economy of affirmation.” Introducing alternative and communally autonomous currencies, ecosimia, according to Wild, can revitalize communities and restore harmony with the natural environment.

<sup>23</sup> Schumacher 1975, p. 318.

<sup>24</sup> Ibid.