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Business Ethics

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Assignment 9 Chapter 5 (Part IV)

In Chapter 5, Part 4 Schumacher continues his discussion on the benefits of having a balance between gigantism and small societies within a country. To better present his ideas, Schumacher gives the readers an example of a company that instills the method of having a beneficial small community. The company, The Scott Bader Commonwealth, is created to be similar to a state. The company is also, similar to a current modern government the state has a constitution that evenly divides up the powers and rights of the the company and citizens (or employees). In this community, the separate small units of citizens or common wealth are keep to a minimal size, as if it were tribal. This is due to the need of people needing a sense of community.

Schumacher believes that people can be their true selves if they are within small identified groups. This, from my perspective reigns true. When I am at home with my family or with a small close group of friends I feel that I can act like my trueself. When I am in public or at large parties, I feel like I have to always stay within the box of standards or trend that society has. This in part may be due to a person's pride not wanting to be tarnish if another person questions their personality, but I digress. Schumacher taps into those feelings and continues to describe his utopia. As a result, there are different kinds of areas or states with the communities.

First, there are totalitarian states, which is a system of government that is centralized and dictatorial and requires complete subservience of the state. Secondly, there are democratic states, which is a system of government that is upholded by its principles. In these states, information is the most important thing as it is in any society. With a democratic system we can organize our economic lives in a way that is compatible with the current information technology. Schumacher concludes that over a totalitarian system, a democratic that is broken up into small “tribes” is more suitable for a gigantic modern (information) technologically filled society.