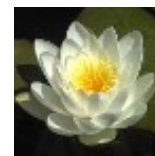




'small is beautiful'



Giant corporate branches suck wealth out of our communities to pay shareholders. Small businesses keep wealth within the community.

what is it?

It's a philosophy that favours small-scale shops, restaurants, smallholdings, manufacturing, credit unions etc. rather than giant supermarkets, chains, industrial agriculture, banks, and so on. The reasoning is that giant businesses subvert democracy, damage nature, provide unfulfilling work and blandness instead of uniqueness. 'Small is Beautiful' was a 1973 book by E. F. Schumacher, who went on to found the Intermediate Technology Development Group (now Practical Action), helping to set up small enterprises in less-developed countries.

Distributism: is a 20th-century movement urging that wealth and power be spread thinly through society, not concentrated in corporations or state. In capitalism, the 'means of production' (land, tools, factories, offices, machinery etc.) are mainly owned by large businesses, and under socialism, are mainly (or completely) owned by the state. In a distributist society, everyone owns the means of production, individually, or in partnership / co-operatively. It's not about redistributing wealth directly, it's about redistributing ownership of the means of production, so that people can generate their own wealth. Opponents of distributism have never been able to hang a left or right label on it.

Neither left nor right: the 'smallist' message to the left is that collective ownership of the means of production works well on the local scale, where people know each other, but not on the large-scale because trust is lost, it becomes bureaucratic, alliances are made with big business, and it concentrates power in the wrong hands. The message to the right is that private ownership of the means of production works on the local scale, but not on the large scale because it concentrates power in the wrong hands. It's the principle of subsidiarity – decisions are made at the most local level that can deal with them. It's not about destroying competition or the market. The opposite of competition is not co-operation, it's monopoly.

The role of the state: 'giantism' doesn't happen without state intervention. As a company grows, internal bureaucracy and communication channels become removed from the market, and they become inefficient and slow to react compared to small companies. Plus their distribution networks get bigger, with higher transport costs. The state helps large institutions to externalise their internal inefficiencies and costs, so that the taxpayer ends up paying for the things that are called 'economies of scale'.

The taxpayer pays for the road, rail, airports and communications to allow big business to spread; the military bill to help them force their way into other countries; the environmental costs; education, health care and sickness pay for their workers; research and development; and even to bail them out if they fail. Plus compliance with growing state legislation is more burdensome for smaller organisations than it is for large ones.

The tendency towards giant organisations happens in nationalised industries and in the co-operative sector. The Co-op Bank would not have stumbled and been swallowed by a hedge fund if it had remained a federation of small co-op banks in every town, rather than merging into one giant institution. 'Giantism' produces the same problems whether corporate, state or co-op.

Mutual credit: is a growing movement of local, trusted networks for small businesses to trade with each other without money. Everyone gets an account; if someone buys from you, your account goes up, and if you buy from someone else, your account goes down. There are limits to how far you can go into credit or debit, and that's it – numbers in accounts, and no money required. It's a way for small businesses to support each other, and to survive in times of economic crisis.



Smallholdings are more productive than large monoculture farms, and provide more satisfying work than picking fruit & veg for large landowners. Some orgs. are helping more people start smallholdings – e.g. the Ecological Land Co-op.



what are the benefits?

- Better stuff – a move towards the hand-made, grown or built, and away from the mass-produced – no more sweatshops, low-quality goods, unhealthy processed foods, pesticide-soaked monoculture fruit and veg, poor-quality clothes with toxic dyes etc.
- Helps end the left vs right battle that actually supports corporate power.
- More interesting and creative jobs that promote independence, responsibility and dignity – and apprenticeships to learn fulfilling trades.
- Humans are happier in human-scale institutions and communities.
- Goods will be better value. If mass produced corporate goods carried the full price of the damaged lives and environments they cause, they'd be much more expensive than locally-produced goods. We have to make our choices.
- Smallholdings and small farms produce more food per hectare than large monoculture farms.
- Stronger, safer communities, more interesting High Streets, unique localities.
- Corporations suck money out of communities to pay shareholders.
- 'Smallism' can support a free market, but not the giant casino that is the global stock market.
- Farmers own enough land to produce food for local markets, not huge areas that prevent other potential small farmers from having any.
- No business would be 'too big to fail', and require taxpayers' money to bail them out.
- Good for employment; unemployment causes psychological and social problems.



Large businesses provide fewer jobs than small ones, and work changes from autonomy and creativity to drudgery and doing exactly what you're told, like in this Amazon warehouse.

what can I do?

First, read more on the subject. We provide books via a platform for independent bookshops – 'smallism' in action. Then you can support the principle with both your consumption and your production.

Consumption: if small businesses are to prosper people have to be prepared to support them by buying what they're offering, rather than giving money to the corporate sector. So:

- use local shops, businesses and co-ops rather than large supermarkets or chains;
- use credit unions, building societies, and join a mutual credit scheme rather than big banks;
- get a veg box delivery, or visit a farmers' market to support local food producers.

With some products and services this will be difficult (cars, phones, laptops), but let's do what we can now and see what develops. 3D printing may help obviate the need for large amounts of capital and huge factories.

Production: there has to be a range of local, small businesses for those people to buy from. So, why not start one? It might involve re-skilling and / or downshifting (see lowimpact.org).

For each of our topics, we provide info on how to get going. Do it for yourself first, then friends and family, and if you enjoy it, start to do it for your community. If people like what you do, consider trading via a local mutual credit network, where local producers commit to buy from each other (if there isn't one, contact us about starting one).

We think it's something we have to do ourselves, rather than waiting for governments that subsidise the corporate sector at every opportunity. It would be nice to have governments that curb the power of big business, but under our corrupt political system with its obsession with growth, and the inability of (national) governments to control (international) corporations, it looks unlikely.

resources

- see lowimpact.org/small for more information, magazines, links and books, including:
- E. F. Schumacher, *Small is Beautiful*
- Helena Norberg-Hodge, *Local is our Future*
- David Cooney, *Distributism Basics*
- schumacherinstitute.org.uk, Schumacher Inst.
- republica.org.uk, think tank with 'smallest' slant
- reconomy.org, helping start small businesses

Feel free to upload, print and distribute this sheet as you see fit. 220+ topics on our website, each with introduction, books, courses, products, services, magazines, links, advice, articles, videos and tutorials.

Let's build a sustainable, non-corporate system.

[facebook.com/lowimpactorg](https://www.facebook.com/lowimpactorg)

Lowimpact.org

twitter.com/lowimpactorg

Registered in England. Company Ltd. by Guarantee no: 420502