The Breakthrough

The loneliness Fritz felt in his spiritual endeavour was matched by a similar isolation in his work in the material world of the office. His little notebook of facts, in which countless apparently diverse and unrelated statistics were painstakingly recorded, began to throw up some startling conclusions.

His aim had been to have a compendium of facts and statistics readily accessible so that as Economic Adviser to the N.C.B., he could instantly lay his hands on the facts and figures relevant to any question he was asked. The primary concern of the industry was how to speed up the extraction process because the demand for coal far exceeded the supply, a situation that was to last until 1957. The more specific conclusions Fritz reached on the industry’s performance, his recommendations, and the reactions of the Board will be dealt with in a later chapter. He was, however, working on another line of thought at the same time as he was making recommendations on how to improve efficiency and increase the output of coal. In his little book of statistics he had noted down all the facts and figures he came across about world energy supply and the trends in demand. He looked not only at current production figures and current demand, but also at the projected figures for the future and, very significantly, at the figures for demand in the past.

As he studied reports on the growth of energy consumption and production, particularly in America, he saw that since the war the statistics had taken a dramatic turn upwards. As he
examined the various means of obtaining energy, he saw that the supply, particularly in the West, came from predominantly non-renewable sources of energy. Western industrial society had based its industrial production on fuel that could not be replaced. Coal that was taken out of the ground was gone for ever. The same applied to oil and to natural gas. These sources of energy were finite and elementary arithmetic showed that there would come a time when the ever-increasing demand for energy could no longer be satisfied. Industrial society was clearly based on very shaky foundations. In the autumn of 1954 Fritz made his startling conclusions public for the first time at a conference in Germany.

We forget that we are living off capital in the most fundamental meaning of the word. Mankind has existed for many thousands of years and has always lived off income. Only in the last hundred years has man forcibly broken into nature’s larder and is now emptying it out at a breathtaking speed which increases from year to year. Only few people realize how brief this forceful entry into the larder is, how quickly the rate of emptying out is rising year after year, and how large the percentage of that already taken is. Every now and then there is an outcry about sulphur and zinc, but that subsides again because it turns out that modern industry is extraordinarily flexible and something new is invented. But if one looks more closely, one has to come to the conclusion that all this adaptation and invention continually demands the expansion of one product, namely energy. The whole problem of nature’s larder, that is the exhaustion of non-renewable resources, can probably be reduced to this one point – Energy. If one asks about the future of the economy, ultimately one is asking about the future of an energy economy.¹

What Fritz’s figures had shown was that if the world demand for energy continued to expand the way it had done in the last hundred years, then modern society, based as it was on industrial activity and the assumed existence of limitless fuel, was in for a nasty shock. The bottleneck to progress was not merely the speed at which coal could be extracted, in the long term it
was the fact that Western civilization lived on capital instead of income. And the end of such a mode of living, as all individuals who have tried it know, is bankruptcy.

They were prophetic words. But they fell on deaf ears. It was a period of industrial expansion, there was a vision of the future when technology would ensure that there was plenty for all. No one was interested in listening to an economist who told them that the future was built on dreams.

His vision of industrial society containing the seeds of its own destruction in its dependence on finite resources had repercussions on another area to which he had been giving some thought. In 1951 he had been invited to join discussions on the development of industry in the ‘underdeveloped nations of the world’ by the ‘Wilson Committee on World Organisation’, a small committee of M.P.s, economists and other experts, set up by the Association of World Peace under the chairmanship of Harold Wilson. The committee’s brief was to study the problems of the ‘war on poverty’. It was becoming evident that the increasing discrepancy between the world’s poor nations and the world’s rich nations might become a new source for instability in the world.

In 1942 Fritz had worked on a theory of industrialization and produced a rather theoretical paper in which he questioned current theories. ‘Every constructive programme of development gets into conflict with the traditional theory of comparative costs,’ he had written. ‘It must do so, because the theory is based on assumptions which are not in accordance with the most striking facts of our age.’

But although he had maintained that social, political and cultural decisions must be taken into consideration as well as the economic factor, he did not develop these ideas, so that his contribution to the Wilson Committee was very much coloured by more conventional thinking. As far as he was concerned, the dangers to world peace lay in the imbalance in the trading positions of the rich and poor nations. ‘There are no moral issues involved,’ he wrote in his notes.

We should go for a reasonable international division of labour. Instead of further disturbing the balance between primary (food and raw material) and secondary (manufac-
turing) production, development can be so directed as to restore that balance. This would require a blend of egotism and altruism on the part of the developed country which is far more difficult to achieve than either single-minded selfishness or an altruistic crusade. It requires a policy with a freely acknowledged dual purpose, which could be put into the words:

We will help you to raise the level of production, of productivity, and of welfare in your country – but we shall give preference to the development of such types of production as will restore the ‘balance of stages’ and thus benefit not only yourselves but ourselves as well.³

Since writing those words he had begun his study of the East. This included the writings and speeches of Gandhi, a man whom Fritz admired and whose assassination had greatly shocked him while in Berlin after the war. Gandhi had a very different view of economic development which needed to be examined carefully.

Gandhi, Buddhism, energy supplies of the future, industrial development, the ‘war on poverty’ – all these separate strands of thought occupied Fritz’s mind and – as the different elements in the soil come together to produce a beautiful flower after the seed has been planted – were waiting to come together to nourish a new, more complete idea.

The ‘seed’ which was to draw all these elements together was an invitation from the government of the Union of Burma to come to Burma as an Economic Adviser. The job was for a high-level economist, with considerable experience in the planning and execution of economic development plans, and a specialized knowledge of modern fiscal theory and practice. It was well paid, and funded by the United Nations. Fritz wanted very much to accept and the pressure from Burma was steady, with a constant stream of telegrams and letters. But an agreement by the N.C.B. to release Fritz for a few months was necessary. Eventually U Nu, the Burmese Prime Minister, approached the British Minister of Power, Hugh Gaitskell, directly. Fritz was given unpaid leave from the National Coal Board for three months at the beginning of 1955. Fritz was very excited. He wrote to his mother: ‘As you can imagine, I
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am full of expectations. I cannot describe how much it interests me to get to know the Orient. Is that which we have found in books alive there – or has it also been destroyed? Is it possible to build a bridge between the East and the West? Can one really help the Burmese without harming them? So many questions!

On January 2nd, 1955 Fritz left on his Oriental adventure, accentuating the change of lifestyles he was about to experience by stopping off first in New York. ‘This American madhouse,’ he wrote to Muschi. There in the cold he was prepared by the U.N. for his work in the heat of Burma. He had already prepared himself as much as possible. Spiritually he felt that the last four years had been preparation for this pilgrimage. As an economist he had also tried to do his homework, although his conclusions about the Western industrial economy gave substance to his doubtful question, ‘Can one really help the Burmese without harming them?’

The impact of Burma was far greater than he had expected. After a few days in Rangoon he tried to convey something of what he felt to Muschi:

I am in excellent spirits and excellent health. Gradually I am finding my feet. But there are too many impressions, there is too much to absorb and to sort out. That’s why it is difficult to write about it. What a marvellous experience it all is.

Well, how can I begin at the beginning? The people really are delightful. Everything I had heard about their charms and cheerfulness proves to be true. They move about in a very strange way. There is an innocence here which I have never seen before, – the exact contrary of what disquieted me in New York. In their gay dances and with their dignified and composed manners, they are lovable; and one really wants to help them, if one but knew how. Even some of the Americans here say: ‘How can we help them, when they are much happier and much nicer than we are ourselves?’

... I think there really is some work for me to do here, but it may be negative rather than positive, persuading them not to do various things rather than telling them what to do. Because of the positive side they need no advice: as long as
they don’t fall for this or that piece of nonsense from the West, they will be quite alright following their own better nature.

Fritz was overwhelmed by the colour and gaiety of Burmese life. Notwithstanding a certain degree of dirt and chaos in Rangoon itself, he found the Burmese people clean, beautiful and distinguished-looking. The jarring notes were not sounded by poverty and degradation but by the garish incursions of the West into this otherwise picturesque way of life. He had never experienced such wholesale pleasure in living, such joy, such lack of concern about the trappings of life as he found in the Burmese people. Every event he attended rang with the sounds of happy laughter. He did not see the desperate poverty reflected by the national income statistics and the income per capita figures he had read. The first lesson to be learnt was that income statistics could not be relied upon as a measure of poverty. He saw very clearly how poverty and wealth went beyond material possessions. The Burmese lived simply. They had few wants and they were happy. It was wants that made a man poor and this made the role of the West very dangerous. ‘The whole Orient is coming out in Western spots,’ Fritz wrote to Muschi.

There is no doubt that the West, even though its days of power in Asia are done, has won all along the line and is winning more every day. Mr Copnall is going to introduce ‘modern art’; horror comics are already available in Burmese, ghastly American films are shouting at you from advertisements all over the place, and ‘industrialization’ is doing the rest. The only stronghold is in the monasteries, but for how much longer?

Fritz’s specific task was to evaluate the work of an American team of economic experts, and to make suggestions about the fiscal and trading position of Burma. The longer he stayed in Burma, the lower his opinion of the American economists fell. After one month he wrote to Muschi, ‘My opinion is that they have given a lot of sound advice and have also done a lot of damage (because they are all American Materialists without
any understanding of the precious heritage of a Buddhist country), and my problem is how to get my views across without making enemies. So far, I have succeeded.’

Three weeks later his remarks were less charitable: ‘I am writing my final report . . . It is a difficult report to write, because I really want to tell the Burmese Government a few truths about the quality of the advice they are getting . . . But how to put it?’

The Burmese Government was not prepared for the advice it got. Indeed Fritz himself was treading new ground. It had quickly become obvious to him that Burma was not post-war Germany. In Germany the problems of poverty, of non-existent economic activity, had been so acute that many people believed that it would not be possible for Germany to take its place alongside the industrialized nations of the West for many generations. Yet by 1955 such expectations had already been proved wrong. Germany had risen from the ashes. But the unexpected lessons of Germany’s recovery were not applicable to Burmese conditions. Germany had been ‘developed’ in the past and therefore had the skills and expertise to draw on, Germany was a Western country with Western ideals and aspirations, and a Western approach to economics. Burma was quite different, a country with aspirations and ideals traditionally opposed to those of Western civilization, deeply rooted in the spiritual traditions of Buddhism. Fritz saw that the effect of economic contact between East and West had not been to transfer Western economic philosophy, which had made the economic development of the West possible, but had merely transferred Western demands. He realized that economic development in Burma was not a question of matters such as trading arrangements, as he had advocated in the days of the Wilson Committee, it was far more fundamental, it required a different kind of economics altogether, a ‘Buddhist economics’. Fritz discussed this approach in a paper entitled ‘Economics in a Buddhist Country’.

‘Economics means a certain ordering of life according to the philosophy inherent and implicit in economics,’ he wrote in a paper to those who might have ears to hear. ‘The science of economics does not stand on its own feet: it is derived from a view of the meaning and purpose of life – whether the econo-
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mist himself knows this or not. And ... the only fully developed system of economic thought that exists at present is derived from a purely materialistic view of life.' Materialistic economics was not compatible with spirituality, Fritz argued, not with Christianity, Hinduism or Buddhism. Yet, while no system of economics existed that was compatible with spirituality, there existed an economist whose economics was based on such criteria. This was Mahatma Gandhi. 'He had laid the foundation for a system of Economics that would be compatible with Hinduism and, I believe, with Buddhism too.' Gandhi’s economics were derived from the concepts of Swadeshi and Khaddar, and he had said that the poverty in India was largely due not to the adherence to these concepts but the departure from them. Swadeshi, economically speaking, could be summed up by saying: if you cannot get what you want in India then, never mind the deprivation, you must do without it. Khaddar meant to spin with one’s hands and wear nothing but homespun garments. Fritz applied these concepts to modern economic problems, to the sort of questions he was supposed to be considering. He gave as an example the question of freight rates. An economic expert may be inclined to advise that the rates per ton/mile should 'taper-off', so that they are the lower the longer the haul. He may suggest that this is simply the 'right' system, because it encourages long distance transport, promotes large scale, specialised production, and thus leads to an 'optimum use of resources'. He may point to the experience of the United States, the United Kingdom, Germany, etc. - all 'advanced' countries employing just this 'tapering' device. Do you see that in doing so he would be recommending one particular way of life, - the way of materialism? An 'economic expert' steeped in Gandhian economics would undoubtedly give very different advice; he might say: 'Local, short-distance transportation should receive every encouragement but long hauls should be discouraged because they would promote urbanisation, specialisation beyond the point of human integrity, the growth of a rootless proletariat, - in short, a most undesirable and uneconomic way of life.' Do you see that economics does not stand on its own feet?
A Buddhist approach to economics would be a ‘middleway’, Fritz suggested, based on two principles. The first was a definition of limits. A Buddhist approach would distinguish between misery, sufficiency and surfeit. ‘Economic “progress” is good only to the point of sufficiency, beyond that, it is evil, destructive, uneconomic.’ His second principle struck at the very basis of Western industrial development, and followed on directly from the first. He wrote:

A Buddhist economy would make ‘the distinction between “renewable” and “non-renewable” resources’. A civilisation built on renewable resources, such as the products of forestry and agriculture, is by this fact alone superior to one built on non-renewable resources, such as oil, coal, metal, etc. This is because the former can last, while the latter cannot last. The former co-operates with nature, while the latter robs nature. The former bears the sign of life, while the latter bears the sign of death. It is already certain beyond the possibility of doubt that the ‘oil-coal-metal-economies’ cannot be anything else but a short abnormality in the history of mankind — because they are based on non-renewable resources and because, being purely materialistic, they recognise no limits ... The New Economics would be a veritable ‘Statute of Limitation’ — and that means a Statute of ‘Liberation’.4

These two principles, inseparably linked, were an astonishing statement for a Western economist to make in 1955 when the emphasis everywhere was on growth, increasing exploitation of seemingly unlimited supplies of natural resources, when the only bottleneck that was recognized was that much needed resources could not be got out of the ground fast enough. It was some fifteen years later before Limits to Growth shocked the world by announcing that non-renewable resources were not only limited but were fast running out.5

The Economic and Social Council of Burma was not impressed. Fritz had to circulate his paper privately for it to see the light of day. His subsequent reports were couched more in the language which economists found acceptable and comprehensible, but he did not change his message. He recommended
that the Burmese Government should reverse all its development policies and reduce its dependency on Western advisers. No Western adviser should be without a Burmese counterpart and steps should be taken at once to train young economists. The rural development programme, rightly emphasized by the Burmese, must not be neglected because of an overemphasis on urban projects and massive projects to develop the infrastructure of the economy. The development programme recommended by Burma’s American advisers had, for example, become obsessed with the problem of transporting rice at the expense of producing it. At the end of the day, Fritz maintained, Burma would have a system of transport and no goods to use it. As far as trade was concerned, Fritz emphasized the need to concentrate first on a degree of self-sufficiency. ‘As far as I can see,’ he wrote, ‘there is no country in the world that has ever achieved substantial economic development without protection against the competition of more advanced producers abroad. Nor is there any case known to me of successful development that did not at first look like a policy of “economic self-sufficiency”.’

Between his paper on ‘Economics in a Buddhist Country’ and his final report, Fritz had written four papers for the Government. None received any response. Just as in the Control Commission and at the Coal Board, he was dependent on others to implement his ideas and they did not appear equal to understanding them. In Burma there was the added problem of administrative disorder. The Executive Secretary to the Economic and Social Board, U Thant, later Secretary General of the United Nations, with whom Fritz was supposed to work, had only taken up his post the day Fritz arrived in Rangoon. Fritz wrote later (in August) to the United Nations organizer of his trip, Habib Ahmed:

U Thant, in spite of his exceptional qualities in many other directions, had neither the time nor the inclination, nor indeed the ability and background knowledge, to fill the post effectively. He was himself fully aware of all this; as it happened he held the post only for three months, but these were precisely the three months of my stay in Rangoon. It was a period during which, as one might say, ‘Hamlet’ was played
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without the Prince of Denmark. The centre piece of the economic planning machine had been removed and had not been effectively replaced. This, of course, gravely prejudiced my own work; without exaggeration I might say that I was accredited to someone who did not exist.

But he was not despondent, and wrote to Muschi: ‘The Burma Government is a pretty chaotic affair . . . They are surrounded by American advisers, and they may never hear my “small still voice”. But even if Burma does not learn from me, I am learning a lot from Burma.’

He had learnt more from Burma than he had dared imagine. His quest for the meaning of life led him to ever new and deeper discoveries.

He was not merely referring to what Burma had taught him about economics. Muschi was worried about the other aspects of Burma’s influence on him. She had written to him that his interest in Buddhism was imposing a new strain on her and begged him not to forget Western traditions and replace them with new beliefs and culture. He had tried to allay her fears:

Please, Muschilein, there is no conceivable cause of strain in this, my sole motive and interest in Buddhism is in getting rid of all sorts of weaknesses and defilements in my character – of all the things that really could impose strain upon you and others. Even the Threepenny Opera contains the lines: ‘Ein guter Mensch, wer wär’s nicht gern!?’ [A good person, who wouldn’t want that?] Apart from this I am pursuing my livelihood, doing my duty as best I can – much the same as I would do in London or Berlin or anywhere else. There is no question of taking the new and not leaving any room for the old: I just carry on as anybody else, with many demands on my time and being unable to do all the things I mean to do.

After this he took care in what he shared with Muschi and it was his mother in whom he confided what was to be the highlight and real purpose of his visit to Burma. He had come to learn Buddhist meditation or ‘Sattipatthana’. The Burmese yellow-robed monks were a presence in Burma that no one
could get away from, a daily reminder of the Buddhist faith on which the country’s culture rested. They were never a nuisance, although they were beggars, for they never accosted anyone but wandered quietly from door to door for their alms. Buddhists were all around him and yet it was difficult at first to make the contacts that would lead him to a ‘master’, to gain him entrance into inner or higher circles. Strangely it was two Germans who opened the doors for him. The first was a sixty-year-old German by the name of Georg Krauskopf. He had been a Buddhist for forty years and was the German representative of a World Buddhist Congress that had just been held in Burma. He had stayed on to study meditation and as soon as Fritz heard about his presence in Burma he looked him up. He described what happened to Muschi:

I went to search for him and managed to find him in a very lonely place, looking very strained and somewhat exhausted. He had just finished his course and not knowing any English felt utterly lost and lonely. The astonishment and delight on his face as I approached him cannot be described. One could see his thoughts: What, a white man. Where do you come from then? He is not coming to me is he? My goodness, yes! A German here in this isolation!

Well, then Herr Krauskopf, a man of sixty but looking fifty, was nearly beyond himself and I have literally spent all my free time with him all last week... a more delightful man you have never met... In Germany he is nothing, just a penniless refugee from East Prussia... Here in Burma he is treated with great respect and affection and provided with everything he needs. During this week I have learned many things from him which it would have taken me months to discover otherwise...

Krauskopf remembered Fritz ever afterwards with gratitude too. Fritz had appeared on the scene like an angel of mercy and rescued him and the fact was mentioned in every letter he wrote to Fritz for many years after this happy meeting.

The other German was a Buddhist scholar, Frau Dr Kell. Fritz described her to Muschi as his ‘best contact here (my “girl friend”)’... she has real knowledge, has been here for a
year, and works with some of the greatest Buddhist scholars. I have met more Burmese through her than through the job.'

Through her eventually it was arranged that he should spend every weekend in the most highly respected monastery of Burma. It was the most difficult and most rewarding task he had ever undertaken. Slowly he was taken through the steps of meditation. At first, sitting in his monk’s cell, he was allowed only to watch the rising and falling of his abdomen, mentally repeating, ‘rising falling, rising falling’, as he breathed. His intellect, which was normally never still, had to be pushed to one side. His mental effort had to be directed towards a concentration on what seemed essentially to be nothing. His quarter of an hour’s ‘work’ had already shown him how difficult this could be. His intellect, which he had thought was a tool he could direct wherever he pleased, showed itself to be a completely untrained, undisciplined intruder into the silence, roaming around introducing distractions. The monks taught him how to cope with the distractions, how to still his restless mind. He was taught not to worry; merely to note the distractions but not to follow them or fix on them, and then to return to his task of attending to the movement of his abdomen.

After some time the monks allowed Fritz to progress to the next stage. He left his cell to pace up and down the monastery garden, concentrating on each movement of his body as he walked, noting his distractions and returning his attention to his body.

At last he was deemed ready to be initiated into the deeper secrets of meditation and instead of fixing his mind on his body he was given a prayer, or mantra, to repeat. As he persisted in these exercises he found that their effect was quite unexpected. Not only did he feel a profound peace and stillness afterwards, much greater than he had experienced with his daily ‘work’, but he found he had a new clarity of thought which made him realize that what he had regarded as clear thinking before was in fact nothing of the kind. It was only when he had stilled his ever-restless intellect that he began to feel true understanding. He realized he had found the gold he was seeking. With words paraphrased from scripture he described the experience: ‘I came to Burma as a thirsty wanderer, and there I found living water.’