

# ***Knox Adult Faith Formation***

## **Market-based Economic Systems A Faith Perspective**

Wednesdays, 10/7/20, 10/14/20, 10/21/20 and 10/28/20  
7:00 – 8:00 PM, via Zoom

Israel Bonnell

# Our objective for this journey

- Gain a basic understanding of market economic systems and how they work
- See the economic systems as tools to serve us versus ideologies that divide us
- How we influence market systems, guided by our faith to work better for us and the greater good

# Market-based Economic Systems

## A faith perspective

- **10/7/20 - Humans and our social journey**
  - Transition from hunter gatherer to agrarian communities
  - Attributes of human species and social order
  - Beginnings of systems of social order and their evolution
  - World economic systems
- **10/14/20, 10/21/20, 10/28/20**
  - Role of private industry vs government
  - Regulations
  - Investment and profits
  - Trust
  - Supply side and demand side economics
  - Faith and economic systems
  - Influencing the economic system

# About myself

- Born in India
  - Grew up in a family of academics
  - Significant US influence growing up – US educated faculty, US text books, moon landing, Voice of America radio, USIS, US columnists syndicated in Indian newspapers
  - Came to US in 1976 for graduate school in chemistry and computers
  - Worked in P&G and HP and worked with a cross section of large US companies who are customers of HP
  - Understand the strengths and pitfalls of the workings of global businesses
- Experience of growing up in India in a socialistic economy and exposure to poverty in society
  - Experience life of abundance and consumption in US
  - Observing the transition of India from socialist to open market economy
  - Observing the economic growth of Eastern Europe, China, Southeast Asian countries as they adopted market based economic system
  - Exposure to life in other nations of the world, their cultures and economies
  - Observation of poverty, injustice and inequality in the US

# About human species

- Evolved about a million years ago— one of the newer species
- Started as hunter gatherers
- Part of nature's predator and prey Darwinian order
- Can be aggressive, cruel and dominating to each other and other species
  - Predator and survival behavior
- Generally lazy, driven by pleasure and survival (including fear)

- Intelligent, creative, curious
- Social creatures -- ethics, morals, empathy
- Language
  - Communication
  - Record knowledge to share and pass on
  - Create the "power of many" – we have outsize capabilities and impact
- Solve problems
- Make tools, machines
- Create art, music

We have much in common, but we are also different  
How do we make an economic system that is fair for all?

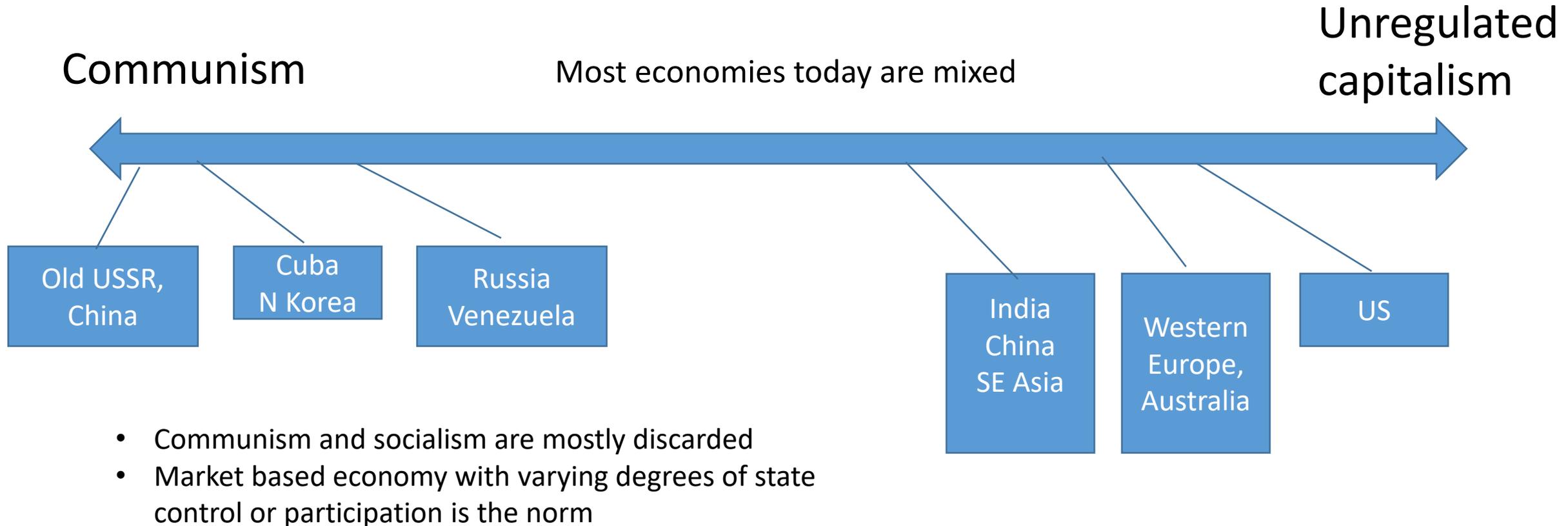
# Hunter gatherers to agrarian communities

- Started 10,000-15,000 years ago
- As communities formed, rules emerged
  - For equitable use of community benefits and contributions
  - Rules of engagement with each other—trust, contracts, disputes
  - Moral/cultural order
  - Management of order and punishments when rules were broken
- Early social rules were the beginnings of religious orders and values
- Group identity – culture, religion, and physical attributes
- Beginnings of trade, labor specialization
- From survival model to work and wealth ethic and meritocracy

# Terminology

- Capitalism -- private ownership of business, property rights, acceptance of differences among humans for rewards
  - i.e., Intelligence, talents, skill, diligence
- Communism – community ownership of production and consumption, equalization and distribution
- There are several flavors between the above bookends
- Generally associate capitalism with freedom—however, tyranny can take over either system

# Economic systems in countries today



# Key world statistics

## Population

- 1 AD – estimates range from 200-600 million
- 1800 -- 1 billion                      1900        – 1.65 billion                      2000 – 6.6 billion    2017 – 7.5 billion
- 2100 -- over 10.5 billion (takes into account reduced population growth rate from 2%to 1% per year)

## Life expectancy

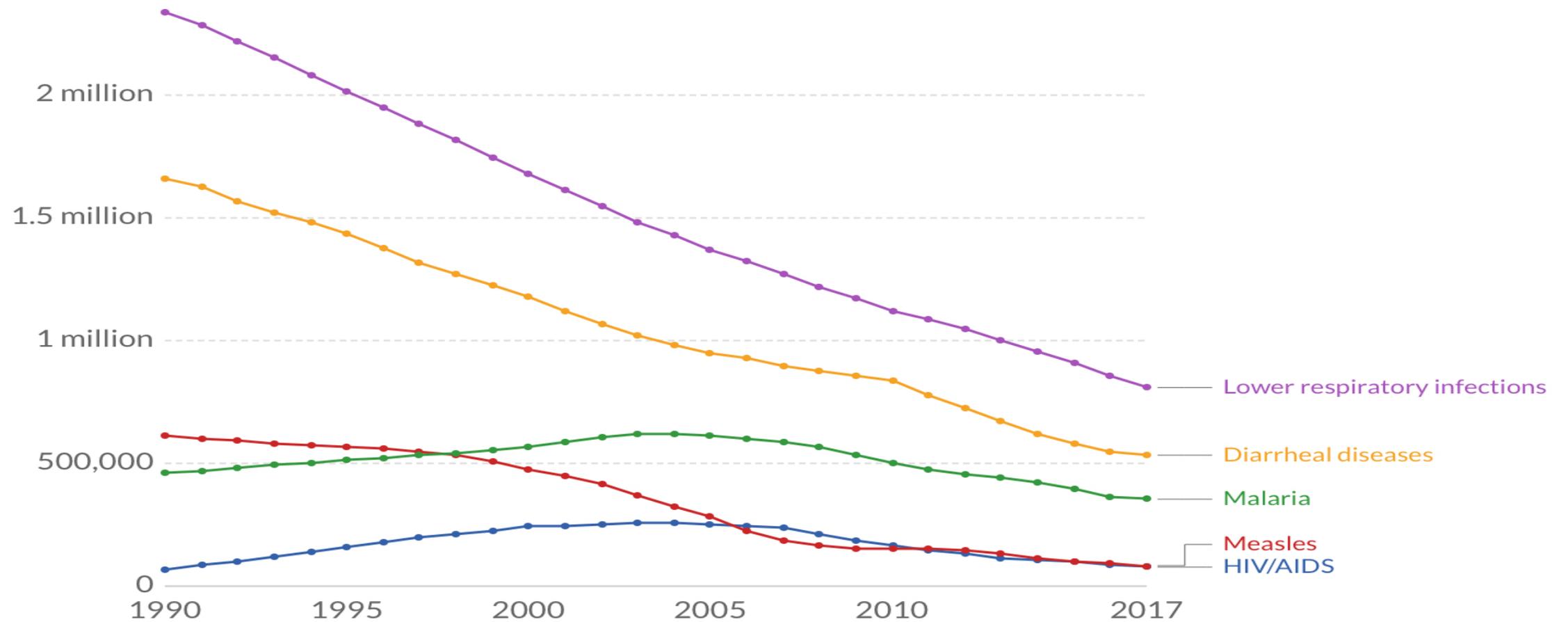
- World average:                      1960s – 52 years                      2010s – 72years
- By country:                      US – 78    Hong Kong – 85                      Canada – 82                      India – 69

## Literacy

- % who can read/write:    1820 – 12%                      2016 – 86%                      Literacy growing at 4% per year

Progress is uneven and some signs of regression too

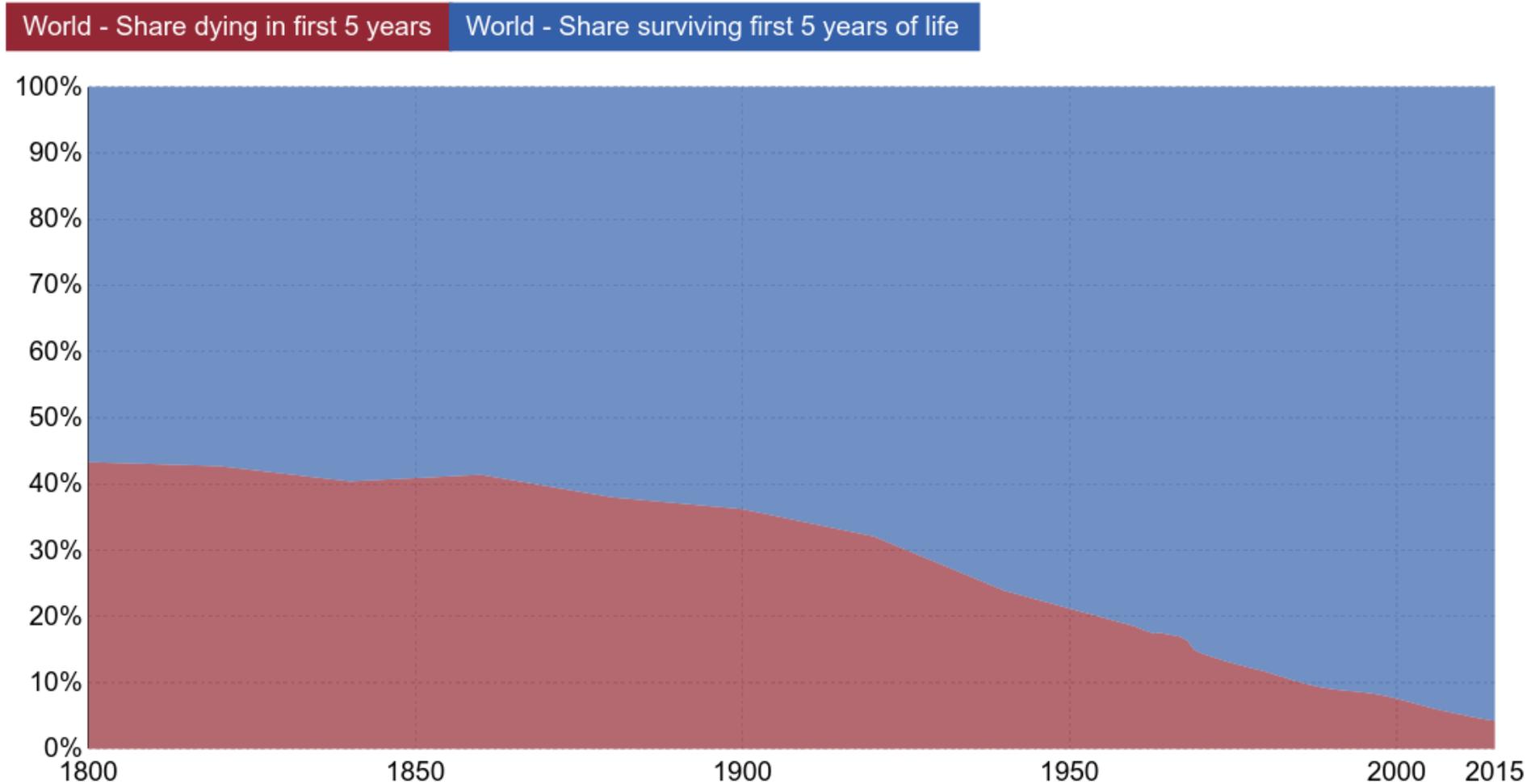
# Infant mortality



[https://upload.wikimedia.org/wikipedia/commons/e/e6/Leading\\_cause\\_of\\_child\\_mortality.jpg](https://upload.wikimedia.org/wikipedia/commons/e/e6/Leading_cause_of_child_mortality.jpg)

# Global child mortality, 1800 to 2015

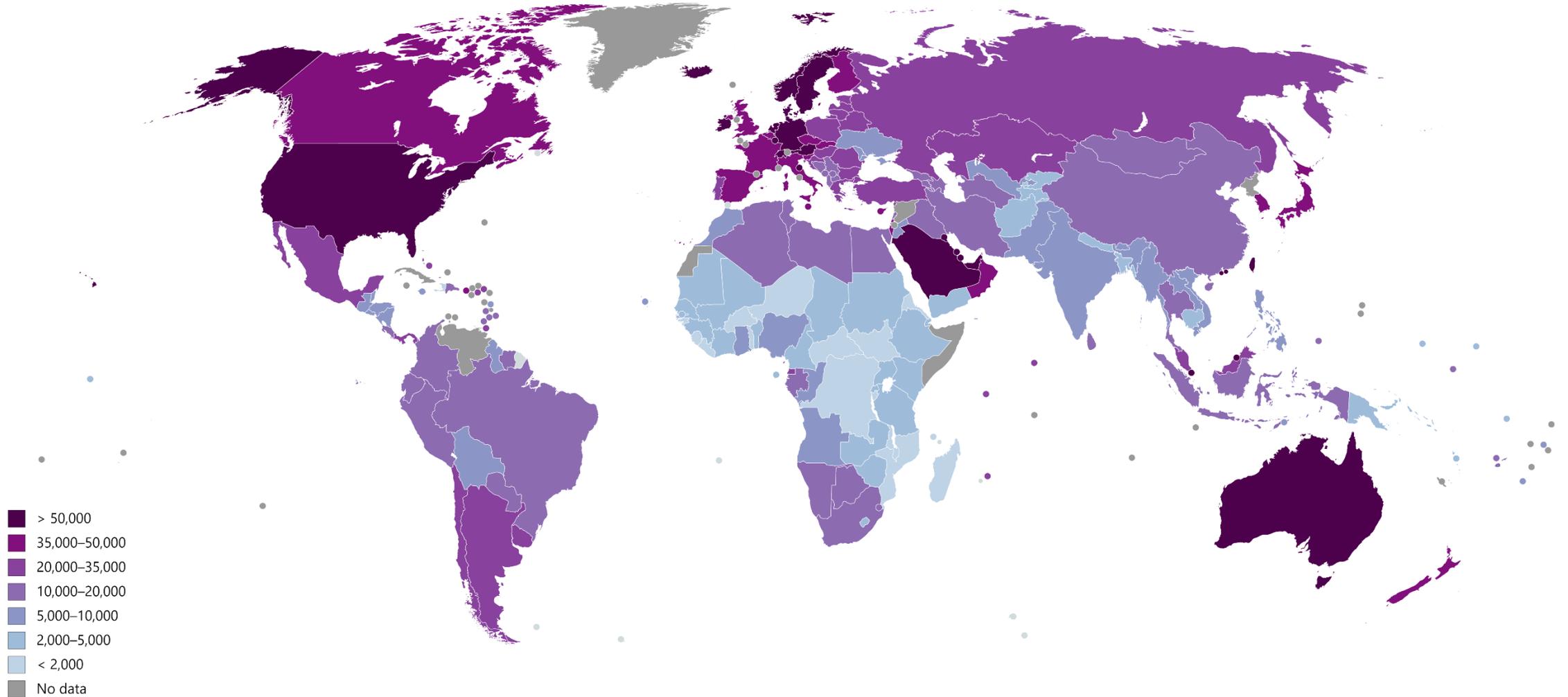
Share of the world population dying and surviving the first 5 years of life.



**Data source:** Global child mortality (since 1800) based on Gapminder and World Bank

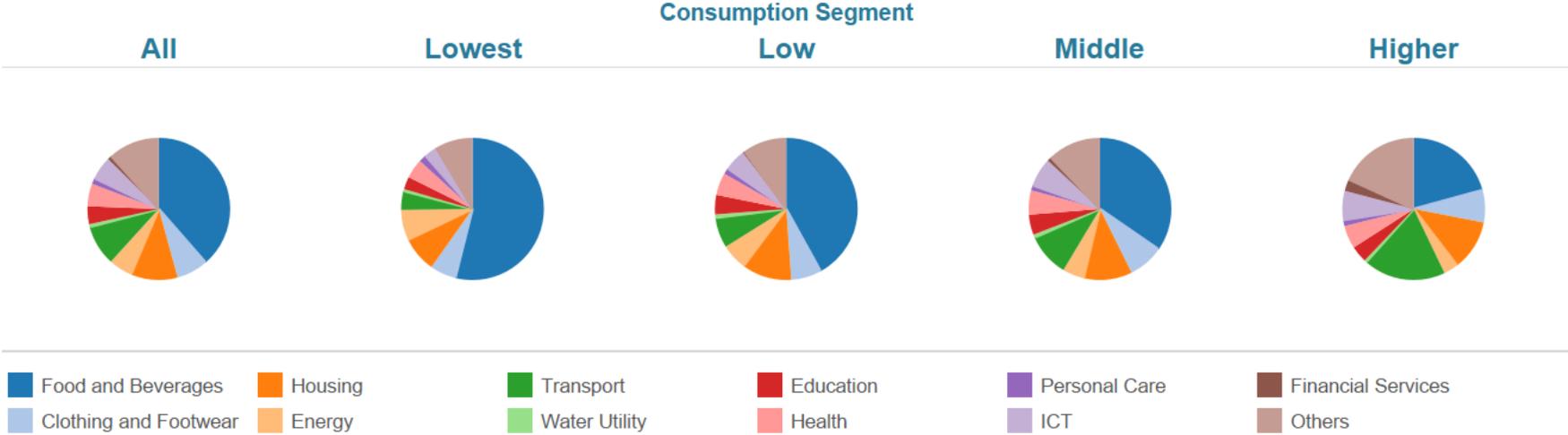
[OurWorldInData.org/a-history-of-global-living-conditions-in-5-charts/](https://OurWorldInData.org/a-history-of-global-living-conditions-in-5-charts/) • CC BY-SA

# Percapita GDP

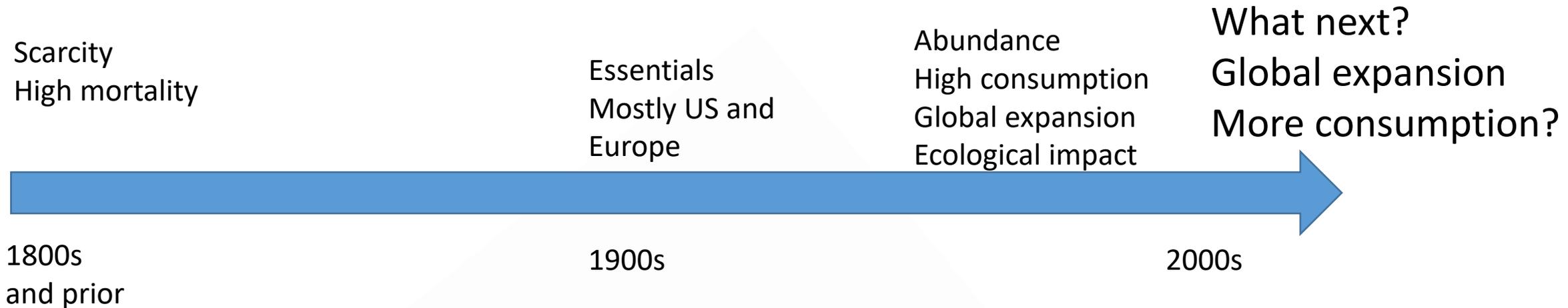


# Spending patterns with affluence

Share of Consumption by Sector and Consumption Segment, 2010 (% , 92 Countries)



# Key take aways from today



View the market systems as tools versus ideologies  
Pick the best tool or path to achieve our objectives

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# References

- Human progress – factual, humorous and up-beat presentations on a variety of world statistics topics
  - <https://www.gapminder.org/>
- Understanding humans – our primal and logical sides. Both sides make us who we are and drive our decisions and actions
  - NPR Podcasts Hidden Brain --  
<https://www.npr.org/series/919079861/hidden-brain-the-npr-archive>
  - PBS 4-part series, Hacking Your Mind --  
<https://www.pbs.org/show/hacking-your-mind/>
- World statistics – one of many sites for any questions
  - <https://ourworldindata.org/>