

## **SLIDE 1-DISMAL OR HAPPINESS**

**Is Economics a dismal science or can it be a prescription for hope?**

**How many people have taken an economics class?**

**Classical economics is the dismal science**

**Not for the reasons that Malthus pointed out**

**But because its assumptions are all wrong**

**Lead to the biggest problems in our world**

**Climate Change**

**Pollution**

**Resource depletion**

**War over**

**Oil**

**Water**

**Diamonds**

**Creates Income Inequality**

**& Social decay**

## **SLIDE 2 – Historical basis Classical Economics**

**The golden years of the British Empire – well on their way to conquering the planet**

**Classical Economic Theorists wrote the rules of Capitalism**

**David Ricardo London Stock Broker – Son of a wealthy London Stockbroker**

**Based classical Economic assumptions on  
the attitude and values of wealthy stock brokers**

**Ricardos Comparative advantage of Trade.**

**assumed that nation states would own and control their resources**

**although Englands colonization makes this erroneous**

**assumed resources would go on forever**

**even though we live on a finite planet**

**assumed labor would always work at subsistence wages**

**elite preferred wage slaves to chattel slavery**

**John Stuart Mill**

**Son Of James Mill**

**Ricardo's good friend**

**And London Stockbroker**

**Administrator of the British East India Company**

**Mills promoted the idea that consumption leads to happiness**

**WORKED FOR THE MERCHANT CLASS IN OPPOSITION TO THE LAND-  
OWNING CLASS**

## **SLIDE 3 –ASSUMPTION 1- HOMO ECONOMICUS –Selfish, Greedy, Lazy**

**Central to classical economics is the assumption of a vision of humanity called  
Homo-Economicus.**

**Says humans are Selfish, Greedy and Lazy**

**Classical economics incentivises a person to maximize their greed & selfishness which has only brought disaster to the public good.**

**Obviously a false assumption**

**most people are kind, generous & hard working**

**Our class is a great example of how falacious this assumption is.**

**One realizes that of course London stock brokers came up with this assumption.**

**They are greedy, selfish & Lazy**

**We have to make another economic vision that promotes kindness, generosity & creative work**

**Our class is a great example of how falacious this assumption is.**

#### **SLIDE 4 – ASSUMPTION 2 – LAND is worthless**

**Ricardo associated with the merchants against the Landed aristocracy**

**wanted to delegitimicized the landed aristocracy's major asset**

**Made Unexploited land and nature were worthless**

**Self-serving assumption of the Merchant class**

**Ignores the life supporting functions of our natural systems ,**

**Has put human survival in precarious position around**

**climate change**

**poisoned planet &**

**depleted soil and natural systems**

**Incentivizes polluting water, depleting the soil, ruining the atmosphere**

**Has put human survival in precarious position**

#### **SLIDE 5 – Assumption 3- Land & Natural Resources are limitless**

**In a supply & demand market economy**

**makes Land & Natural Resources worthless since their supply is limitless**

**Ignores population expansion,**

**Ignores reality of us living on a finite planet**

**Leads to The eventual reality of Peak everything**

**leading to resource depletion**

**Value of clean air, water and soil almost incalculable**

#### **SLIDE 6- Ricardo's Comparative Advantage Trade Theory**

**Trade**

**Theoretical assumptions**

**Benefits go to the farmer/owners**

**Local Example**

**Locally grown Marijuana**

**Chinese Grows Sugar cane  
Except that . . .**

**Everyone Wins?**

**SLIDE 7 Corporate Reality**

**Economic model favors consolidation of economic power**

**Corporations are designed to concentrate money in one place**

**Owners are really multinational corporations**

**Benefits go to shareholders around the world**

**Workers do work at slave wages**

**Ricardo should have know that**

**since the British East India Company**

**owed and operated all the enterprises**

**in their empire**

**SLIDE 8- Classical Economics —: A Self Serving Model**

**Owners of capital like David Ricardo & John Stuart Mills created an economy that**

**Extracts value from land**

**Which they assume will go on forever**

**extracting labor from humans**

**Who Ricardo assumes work for subsistence wages**

**There is always somebody in the world who is starving and will work for less**

**Creating some Economic production**

**Like Nike shoes**

**To be Consumed by people with money**

**Like John Stuart Mills**

**Who promoted consumption as the path to happiness**

**People with the most money gain the most from this system**

**Profits circulate back to the owners**

**Who win on both sides of the equation**

**Workers do consume enough to subsist**

**But the old saying is that the shoemaker never has any shoes**

**Shoes do not provide the happiness promised**

**Way too expensive**

**Does not make you the sports superstar**

**Naomi Kline      No Logo**

**Slide 9 local costs**

**Accumulated costs due to false assumptions mean**

**Our Forests have been depleted**

**Our fisheries are in crisis**

**Mills and factories closing across the country**

**All caused by false assumptions of the classical economist**

## **SLIDE 10 ECONOMIC RECKONING**

True costs of our economy,  
World is on fire  
Earth's resources headed toward chaos  
Most of population commodified & alienated  
Income inequality &  
Social Alienation  
Not only as workers  
Also as consumers  
War over  
Resource depletion  
Social alienation  
Costs will wreck havoc on the nation

## **SLIDE 11 NEW ECONOMY Moving from Extraction Economy to the Restoration Economy**

**Vision for a new economy that**

**Values & nurtures our natural capital**  
**Recognizes the value of human capital and builds capacity**  
**Is aware of the contribution the broader society contributes to our well being**  
**Insures that manufactured capital is appropriate and beneficial**  
**Maximizes Quality of life**  
**Healthy people**  
**Healthy products**  
**Healthy jobs**  
**Healthy planet**

## **SLIDE 12 Solidarity Economy**

**In solidarity in correcting all of the false assumptions of classical economics**  
**Economic Model spreading around the world**

### **ECONOMIC DEMOCRACY**

**Worker owned businesses. Co-ops, Locally controlled**  
**Relationship driven**  
**Horizontally managed**  
**Keep it local**  
**Quebec is great example**  
**German workers on Boards**  
**Networked together to make it stronger**

## **SLIDE 13 - Environmentally Responsible**

**Environmental ethos**

**Move from a drive of depleting Resources**

**To Restoring resources  
Living within the means of the planet  
Getting Past the Domination of Nature  
We are all part of Nature  
Give rights to nature**

**Business schools do not teach environmental responsibility**

**B corporations**

**Triple bottom line**

**Environmental cost and benefits of production activity**

**Social benefits of economic activity**

**Financial profitability**

**Slide 14 - Cradle to Cradle**

Recycle,

Reuse

No Waste

Bill McDonough architect & author

5 Criteria

**Slide 15 \_ Ethos of Living Simply**

Consume less

Share More

Job share in an economy with fewer jobs

Guaranteed income

Work fewer hours

Enjoy life more

**Slide 16- Sustainable Growth Economics**

**Most people will work in the service sector in healthy, creative jobs**

**Educators**

**Entertainers**

**Masseuses**

**Therapists**

**Artists**

**Minimizing unhealthy or destructive work (G Bush or D Trump vision)**

**Prison guards**

**aggressive soldiers**

**authoritarian police**

**Exploitation of Primary resources will head toward zero**

**as cradle to cradle maximizes**

**Manufacturing may be at a level of the late 1800s**

**As people live simpler**

**Consume less**

**stabilize population**

## **Slide 17 Financing the new Economy**

### **Public control control of the Money Supply**

#### **Public Banks**

**using government \$ to finance social good**

#### **Credit Unions**

**co-op banking**

#### **Solidarity economy Financing**

##### **Investissement Quebec**

**Governemnt, union & sector financing**

**Financing Quebec's Social Economy**

#### **Slow money**

**Long-term investment**

**3% return**

**Initially a movement to finance local food production**

## **SLIDE 18 LAND OWNERSHIP**

### **Yugoslavian Economic System**

**Community owns land**

**Workers own Factories**

**Most successful socialist economic model**

**Destroyed by Western Military Aggression**

### **Community Land Trust**

**Non- Profit, Community-Owned land**

**To provide for**

**Affordable housing**

**Local agricultural production**

**Community-needed activities**

### **Land as the Commons**

**English Commons**

**Part of Roman Constitutional Law**

**Private**

**Public-Government owned**

**Common Property – Rivers, Natural systems**

**Mexican Ejidos**

**Destroyed by NAFTA**

## **SLIDE 19 Economics of Happiness**

**New area of study**

**Happinness has not risen since the 1960s**

**Bhutan**

**Helena Norbert Hodge**

**Vandana Shiva Quote**

**Mark Anielski**

**Wrote Book on Economics of Happiness**

**Created Genuine Wealth Indicator**

**Shows what creates true, genuine sustainable wealth**

**SLIDE 20 NEW ECONOMY—PRESCRIPTION FOR HAPPINESS**

Economy is only part of life that really has to be built around the earth we all live on.

Community, Creativity and contentment are some of the many factors that add up to maximizing quality of life.

By working on these issues we can make economics that is a prescription for happiness