Study Questions

*The Global Economy: Connecting the Roots of a Holistic System*

by Dr. Denise R. Ames, Center for Global Awareness

Chapter 1. An Overview of the Global Economy

Quote

1. What is your reaction to the quote at the beginning of the chapter (p. 15)

Section 1.1 The Global Economy

Terms to Consider:
- paradox
- “big picture”
- globalization
- holistic
- over-determined
- economic globalization

Questions to Consider:

1. Introduction to the Global Economy
   a. What is the paradox of the global economy? Do you think there is a paradox? Explain.
   b. Do you question our global economic system? In what ways?
   c. Do you think our global economic systems are rooted in the past? Explain.
   d. What does our economic system need to consider?
   e. What is your response to Bill McKibben’s statement? Explain.
   f. How would you describe the past system?

2. Globalization
   b. List the 15 Key Features of Globalization in the order that you think is most important.
   c. What is the Global Wave?

3. Economic Globalization
   a. What does overdetermined mean? Why is economic globalization considered to be an overdetermined word? Can you think of other overdetermined words? Why do you think they are overdetermined?
   b. What does economic globalization mean to you?
   c. Before we go any further, it might be a good idea to jot down a few ideas about what you think economic globalization is all about.
   d. Why is this approach to economic globalization holistic? What is your opinion about the holistic approach?

Section 1.2 An Overview of Economic Systems

Terms to Consider:
- *homo economicus*
- capitalism
- neoliberalism
Questions to Consider:

1. Five Economic Systems
   a. Describe the 5 economic systems in your book.
   b. Make your own continuum (like the one in the book) and place these economies on your continuum.

2. Communism and Capitalism
   a. What does the simple riddle, “Capitalism is the exploitation of man by man; Communism is the opposite: the exploitation of man by man,” mean to you?
   b. What are the similarities between communism and capitalism? Differences?
   c. What is your reaction to the list of similarities of the communist and capitalist economic systems?

3. Capitalism
   a. Research different definitions of capitalism. Compare them to the book’s definition. What definition do you think is the best? Why?
   b. What is the difference between the market economy and capitalism?
   c. What does “capitalism has diverse ways of functioning” mean?
   d. What different forms does it take?

4. Neoliberalism
   a. What are the distinguishing features of neoliberalism?
   b. What other terms describe the concept of neoliberalism? Which term do you prefer?
   c. What reasons do supporters of neoliberalism give for considering it the best economic system? Do you agree with all these reasons? What reasons would you add or subtract?
   d. What are the 10 principles of neoliberalism? Do you agree that they should all be included? Are any left out?

5. Managed Capitalism
   a. Why was there a reconsideration of neoliberalism in the 1930s?
   b. What is the significance of John Maynard Keynes? Do you agree with his ideas?
   c. What is managed capitalism? Do you agree or disagree with its principles? Why?
   d. What was the “Golden Age” of capitalism? Why was it golden?

6. Socialism and Communism
   a. Why did socialism/communism arise?
   b. Who was Karl Marx? Why were his ideas so popular?
   c. What are the basic principles of socialism/communism? Do you agree or disagree with these principles? Why?
   d. Why is ownership of the means of production so important to socialists?

7. State Capitalism
   a. What is a definition of state capitalism? Do you think this is a good economic system? Why or why not?
   b. How is state capitalism different from neoliberalism or socialism?
   c. What are sovereign wealth funds?
d. What nations are considered to follow state capitalism?

8. General
a. From these brief descriptions of the various economic systems, which one do you prefer? Explain.
b. In your opinion, what are the benefits and drawbacks of each kind of system?

Section 1.3 The Global Economy: Definitions, Terms, and Concepts

Terms to Consider:
primary industries
secondary industries
service industries
services
core
periphery
middle
external
Western
modern
right
left

Questions to Consider:

1. Wealth Accumulation
   a. What are the four ways wealth grows and accumulates?
   b. Give two examples of each.

2. Core and Periphery
   a. How are the terms core and periphery used in this book?
   b. What other terms are used that mean essentially the same as core and periphery?
   c. What terms do you like the best? Why?
   d. Give examples of the core. Of the periphery.
   e. Where are core area of development? Periphery areas?
   f. What does the term middle mean? External.
   g. How do people fit into this model of core and periphery?
   h. How do the core and periphery shift over time?
   i. What are reasons for the periphery status of nations?
   j. How are the core and periphery seen in the U.S. today?
   k. Why are some people in the U.S. in the periphery?
   l. If not the economy, what criteria do you think should be used for judging a nation?

3. Western and Modern
   a. What are the differences and similarities between the concepts of Western and modern?
   b. How and when did Western ideas emerge?
   c. Give examples of nations in each of the categories. Do any nations cross-over into both?

4. Right and Left
   a. What is the difference between left and right?
   b. Where does your nation fall in this political spectrum?
5. Eight Interest Groups
a. Can you think of other interest groups that should be added to this list?
b. What interest group(s) do you most closely associate yourself with?
c. How do these interest groups influence the government?

**Section 1.4 Understanding the Global Economy: Two Approaches**

Terms to Consider:
- holistic
- system
- systems thinking
- conventional thinking
- feedback
- reinforcing feedback
- balancing feedback

Questions to Consider:

1. Your Approach
a. Why is your particular approach or bias important in studying the global economy?
b. How does your approach or bias influence your views on the economy?
c. What are the different biases in studying the global economy?

1. Holistic Approach
a. What is a holistic approach in studying the global economy?
b. Give an example of using a holistic approach to study the global economy.
c. What is your opinion about this holistic approach? What are the benefits and drawbacks of this approach?

2. Systems Thinking
a. What is a system?
b. What is systems thinking?
c. Why haven't we been using systems thinking all along to solve problems?
d. What is conventional thinking?
e. In what ways does conventional thinking continue to shape Western society? Give examples.
f. Do you think systems thinking is a valuable tool for examining problems and trying to arrive at solutions? Why?
g. Do you think a systems thinking approach is a beneficial way to study the global economy? Explain.
h. What are the benefits of systems thinking? Do you agree with these benefits?
i. Is fault-finding a futile activity? Give examples of why or why not.

3. Interacting Parts of a System
a. How do systems remain stable? How do they change?
b. Give examples of stable systems. Unstable systems.
c. What is leverage? Give examples of leverage.
d. Why are feedback loops important in a system?
e. Explain how reinforcing feedback drives a system in the way it is going. Give examples.
f. What is balancing feedback? Give examples.

4. The Two Approaches
a. What is the difference between a holistic and a systems approach to the global economy? Give examples of each one.  
b. How do the two approaches overlap?

Section 1.5 Worldviews: The Way We Look at the World

Terms to Consider:  
events  
episodes  
patterns  
worldview  
Global Wave  
indigenous  
modern worldview  
fundamentalism  
globalized worldview  
overshoot  
transformative worldview  
consumer creed

Questions to Consider

1. Iceberg  
a. What are events?  
b. What are episodes?  
c. What are patterns?  
d. What are worldviews?  
e. What are human commonalities?  
f. Give examples of how the iceberg model works.  
g. How does the iceberg model explain how problems are so hard to change?

2. Worldview  
a. What is a worldview?  
b. What are the five major worldviews today?

3. Indigenous Worldview  
a. Briefly describe the indigenous worldview.  
b. Where do people who hold an indigenous worldview live?  
c. What can we learn from the indigenous worldview?

4. Modern Worldview  
a. Briefly describe the modern worldview.  
b. What is the relationship between capitalism and a modern worldview?  
c. What is the relationship between communism/socialism and a modern worldview?

5. Fundamentalist Worldview  
a. What is the fundamentalist worldview?  
b. Why is this worldview popular among millions of people today?  
c. What similarities do those holding to a fundamentalist worldview share?  
d. Why do different fundamentalist groups around the world share similarities?
6. Globalized Worldview
   a. What is a globalized worldview?
   b. What are different characteristics of a globalized worldview?
   c. What opinions do people holding a globalized worldview have of the environment?
   d. How does the consumer creed fit into the globalized worldview?
   e. What are the benefits of a globalized worldview? What are its drawbacks?

7. Transformative Worldview
   a. Why did a transformative worldview develop?
   b. What elements of the worldview do you agree with? Disagree with?

8. Worldviews
   a. Which worldview do you most closely identify with? Least identify with? Why?

Section 1.6 Concluding Insights

1. Examination of the Global Economy
   a. What does the author mean when she says the global economy has historically profited from addictions?
   b. Do you feel that the global economy needs transforming, or is fine that way it is? Explain.
   c. What are some of the problems with the way the global economy is structured?
   d. How do you think we should respond to some of the global issues before us today?