

TEACHING THE IDEA OF PROGRESS AND ECONOMIC GROWTH AT UNIVERSITY

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In today's world of seemingly unthinkable and staggering technological breakthroughs, together with the rapid development of information technology and artificial intelligence, the study of progress and economic growth is just too complicated to be left to the economists only. It should be considered from the aspects of Philosophy, Psychology, and History. What is taught and promoted at educational establishments nowadays is a dubious premise that progress is our most significant aspiration, i. e. the lynchpin which keeps economy rolling and simultaneously fostering all-encompassing contentment for people as a whole. Without further making impetuous assumptions, let us take a close scrutiny of the idea of progress and economic growth, as well as the implications therein.

To understand economy, one needs to understand the concept of growth. In the 16th century global production of goods and services amounted to roughly \$ 250 billion; today it is at least \$ 61 trillion or more. The reason for this is that today people have more trust in the future than they used to have, say 500 years ago. Back in those days, the majority of people were firmly convinced that the good times were in the past and the future was not really worthwhile investing into. The Church, which had the authority in basically every aspect of human activity, officially condemned any accumulation of wealth and capital for common people. Business, in general, was the prerogative of the elite, i. e. kings, queens, emperors, barons, dukes, earls, duchesses, and bishops. But it was not what an ordinary destitute peasant, tilling the land and living in squalor, set his/her mind to. Therefore, credit was notoriously hard to get. And, therefore, the premodern economy did not develop fast enough. Little trust in the future predetermined little credit, and little credit predetermined slow growth.

The modern economy began with scientific revolution and the teachings of A. Smith, who laid the foundation for capitalism and free markets. People

started to see and witness the potential gain from entrepreneurialism as a whole, and the quest for capital ceased to be the privilege of the upper classes. Commoners started to believe that the future can bring real profit and prosperity to those who have enough perseverance and business acumen. Because of this, more trust in the future predetermined more credit available, and more credit predetermined fast growth.

Today almost anybody can be approved for some line of credit. Banks, actually, are authorized to loan \$ 10 for every \$ 1 that they literally have. This is the basis for the crediting system, and it is all feasible only because banking institutions really believe in their clients' ability to pay back loans. That is what makes progress and economic growth more achievable today than it used to be in the past.

But, at the same time, with this stupendous growth and progress came along many serious and alarming complications. Our extensive use of fossil fuels, which are the driving force of modern economy, has put us in a predicament that no sane person can no longer ignore. Provided we live on a finite planet, it means that sooner or later we will run out of our traditional sources of energy. Yes, there are a lot of discussions about the necessity of alternative energy implementation and yes, we are moving in that direction, but this process is way too slow. "Renewable energy" is a buzz word, but, unfortunately, it remains just a word. Instead of taking serious action, we are merely paying lip service to it. This thing is going on because we have trillions of dollars already invested in fossil fuels and we can't simply abandon this idea. If someone has immense sums of money invested in oil, for example, he/she does not want anybody to drive an electric car! Obviously, they rather want to get a high yield on their investment. Otherwise, their investment makes absolutely no sense! From this point of view, it makes perfect sense why big business, oil in particular, predetermines our energy and environmental agenda.

Our progress, as well as economic growth, which is primarily based on oil consumption, and the business idea that more and bigger is by all means better, is the major factor why the global ecosystem is constantly deteriorating. Acid rains, global warming, the melting of ice sheets in Antarctica and Greenland, the rising of the oceans; more frequent and violent typhoons, tornadoes, and hurricanes; air, along with water and soil pollution; the acidity of the oceans, the disappearance of coral reefs and many species of fish on which people feed; the dramatic increase of carbon dioxide in the atmosphere, the depletion of ozone layer; the erosion of the top soil and massive deforestation are just a few examples showing the disturbance of earth's equilibrium. Not to mention other problems, including widespread obesity and the constantly rising levels of suicide, chronic depression, fatigue, mental and emotional issues, and climbing cancer rates.

Considering all of the above, the idea of progress and economic growth, when taught at educational establishments, should be viewed from both sides, i. e. beneficial and detrimental. The business assumption that more and bigger is undoubtedly better is not always correct. No person in his right mind celebrates the increase in world population! What good is progress, if the ecosystem is on the brink of collapse? Unequivocally, human race can disappear only once, so we should treat our world as if we are planning to stay in it.

References

1. *Harari, Y. N. Sapiens / Y. N. Harari. – London, 2011. – 498 p.*