

COLLAPSE

WES MOORE

CHAPTER 1: Why God cares about the economy Group Study Leader Guide

General Instructions:

- Have the students read the book chapter before meeting to discuss its principles.
- There is no handout for group members. Use the group study questions at the end of each chapter in the book as the basis for the discussion.
- The section below provides the location of answers (page and paragraph in the book), the answers themselves (in brief), and the goal of each question.

Chapter 1 Group Study Questions Discussion Key

1. What does the word “economy” mean? What does it mean when we talk about a “nation’s economy”?
 - a. Answer location: Page 7, 3rd full paragraph (Note: All references to location refer to the first full paragraph on a page, not a partial paragraph that may be at the top of that page).
 - b. Answer in brief: The word “economy” has to do with getting the most out of what you have. It means being thrifty or efficient with something. Sometimes it is used to mean a low-cost version of a thing, like an “economy car,” for example.
 - c. Goal of the question: Give the student a basic understanding of the meaning of the word from which economics comes.
2. Describe the importance of the words “endless” and “limited” in the definition of a national economy.
 - a. Answer location: Page 7, paragraph 4 through page 8.
 - b. Answer in brief:
 - i. Endless: This word reveals that our needs as a nation have no limits. Therefore, we must use what we have in as efficient a way as we can or we will run out of resources.
 - ii. Limited: This word shows that what we have to meet our needs—money, land, factories, etc.—has a limit. Because of this, we must have a system for distributing what we have in a way that allows us to get the most out of it.
 - c. Goal of the question: To get the student to recognize we do not have an infinite supply of resources to go around, and to lay the groundwork for understanding the

role of an economic system in making good use of those resources.

3. What is a market? Describe a market you have visited this week, whether in person or online.
 - a. Answer location: Page 9, paragraph 3 through the end of the page.
 - b. Answer in brief: Markets are places, either real places (like a hardware store or farmers' market) or virtual places (like Amazon.com or eBay) where buyers and sellers come together to exchange products for money. Buyers, often called "consumers," are the people who have a need for something; sellers, also called "producers," are businesses that provide things to meet needs. The money exchanged for a particular item is called its "price."
 - c. Goal of the question: To help the student understand the different components of a market so they can understand how an economy works in future discussions.
4. What is "gross domestic product"? What does it have to do with the income of a whole nation?
 - a. Answer location: Page 10, paragraph 2.
 - b. Answer in brief: GDP is the total dollar value of what the economy produced over a given period (usually a quarter or year). GDP is also considered the total income of the nation. The assumption is that, if you made it, you sold it, and what you sold it for is your income.
 - c. Goal of the question: To introduce the student to the most popular means of measuring how well or poorly an economy is doing. This concept will be referred to throughout the book.
5. What's the difference between a recession and depression? Which is worse?
 - a. Answer location: Page 10, paragraph 4.
 - b. Answer in brief: Recessions occur when the economy shrinks for more than a few months. Depressions are recessions that keep going, sometimes for years.
 - c. Goal of the question: To familiarize the student with the terms used to describe phases of the economic cycle.
6. Explain the idea of "rational self-interest" as it relates to how people make buying and selling choices.
 - a. Answer location: Page 11, paragraphs 1-4.
 - b. Answer in brief: The assumption that people in an economy will act in a way that makes sense (rationally) and in a way that is the best for them (self-interest).
 - c. Goal of the question: To help the student understand a guiding principle of economics, which is how and why people make the economic decisions they do.
7. What are some of the blessings of a good economy? Why are these blessings?
 - a. Answer location: Page 11, paragraph 5 through page 13, paragraph 1.

- b. Answer in brief: It provides goods and services people need; limits evil, like violence, crime, and drugs; and leads to a peaceful democratic government.
 - c. Goal of the question: To get the student to see the impact of an economic system on the prosperity and happiness of the people of a nation.
- 8. Is there a relationship between the type of economy and the type of political system a nation has? Although the chapter doesn't go into detail, why do you think a connection might exist?
 - a. Answer location: Page 12, paragraph 3 through page 13, paragraph 1.
 - b. Answer in brief: Yes, there is a relationship. Chapter 2 details the connection. Right now, just get the students to share their ideas.
 - c. Goal of the question: To get the student to begin to think about the connection between the type of economy and the type of government in a nation.
- 9. Why does God care about the economy?
 - a. Answer location: Page 13, paragraph 2.
 - b. Answer in brief: Economic systems affect the ability of human beings to meet their physical needs, determines to some extent the crime and violence they endure, and leads to the type of government and freedom they will have. Because God cares about these things, he cares about the economic systems nations use.
 - c. Goal of the question: To get the student to see that God cares about natural, physical, secular systems like economies because they affect people's lives.
- 10. What reason in particular was given that Christians should care about the economy (hint: think about the poor)? Do you agree or disagree with this reasoning?
 - a. Answer location: Page 13, paragraph 4 through page 14, paragraph 1.
 - b. Answer in brief: If we are to help the poor get out of poverty, and if a certain type of economic system tends to bring people out of poverty, we should teach the poor how to build this kind of economic system. Our love for the poor, then, should drive us to study how good economies work and the ways we can help other nations develop them.
 - c. Goal of the question: To get the student to see that our ministry to the poor must expand to teaching them how economies lead to long-term suffering and how they can develop economies that bring poverty to an end.