

III.

"Economics-1989"

Event

Temple Rodef Sholom Youth Group

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*Chew a piece of paper
by Mr. Rapoport.*

Economics - 1989

1. Rabbi Eleazer says: "Redemption and the earning of bread may be compared to each other. There is wonder in earning bread as there is wonder in redeeming the world. And as the earning of bread takes place every day, so does redemption take place every day."
2. This is the greatest of all lessons in economics. As with most truths, though, we look hard and it is usually right beside us. The most cogent explanation of economics is best explained by one of the old masters.

The modern definition of economics is simply that it is the theory of how goods and services should be produced and, then, how they should be distributed. We are concerned here as to what these processes will involve in the year 1989. Obviously, it is impossible to project the future without retrospective historical knowledge. For example, how were goods produced and distributed in Biblical times. It was more or less a barter economy. One of the interesting aspects of Judaism, however, is that it never permitted the luxury of what we have come to know as pure economics. There never was concern just simply how goods were produced and how they were distributed without there being equal concern on the moral and ethical implications which resulted from these processes. It depends on one's point of view...how ridiculous is it that a farmer was ordered to leave a certain portion of his field unharvested so that the poor would have access to that portion of another man's labor. So Jewish economics are more correctly, Biblical Jewish economics, could more aptly be described as an economic moral theory.

The next period of evolutionary growth is what we have come to know as mediaevalism. This was the economy of the land of Gentry. The pressure of

population had not yet manifested itself. The cities had not yet appeared.

The political structures were more or less local. Then, in the latter part of the 16th Century population growth began to exert pressure on the mediaeval methods of production and the question of providing enough food for the population became vital. It was evident that everybody going about things in their own way without organization, without planning, simply would not get the job done unless changes were made, people would be starving ... and this gave rise to the period of mercantilism, which is capitalism as we know it today. This was the beginning of mass production, of the factory system, private capital being loaned to others for the singular purpose of building factories. This was the first use of money as we understand it today... where money was loaned to an entrepreneur for the sake of capital formation.

T This modern capitalism is simply an extension of mercantilism and a refinement of those basic _____. I think it would be well to examine exactly what they are so that we can project better for 1989.

1. Mobility of capital.
2. Laws applying to man --it is correlary that price would equal where the two curves crossed.
3. The concept of national law.
4. The social contract theory.

Let's talk about 1989:

Economics is concerned with production and distribution. We've mastered pretty well the problem of production and, likewise, we know much about distribution so ~~if~~ where does the problem lie? The problem is that people have

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to be paid for production and the truth of the matter is that it doesn't take as many people to produce as much as we need... and all of this is a result of automation.

CULTURAL LAG VS. TECHNOLOGY

Predictions of things to come.....

Shorter work week

Increased National Debt

More Economic *paternalism*

Example: Better railroads as the airplanes crowd the airways

Better gadgets...