Affirmative: Human Flourishing

By Kirstin Erickson

***Resolved: Economic stability is more important than economic growth***

This case will seem counterintuitive at first. After all, isn’t it obvious that it’s better for an economy to grow rather than to stay the same? That’s probably where the mind of your judge will go first, but it’s not quite that simple. That question is an incorrect way of looking at the resolution, and so your job as affirmative is to frame the debate in the right way. The real question is, should a government be making policies with the goal of economic stability or economic growth? We find that when stability is the goal, society flourishes, and people’s overall quality of life is higher.

On the other hand, even though economic growth might sound good at first, prioritizing it above all else will ultimately be a detriment to society. You can gain confidence by leaning on the evidence in the case – it’s not just your word; this is what the experts are saying as well.

Finally, don’t forget to impact your arguments to your audience. You’re not just debating theoretical concepts; you’re debating real-world issues that impact each person’s wellbeing. By siding with stability, we can create a better world and a healthier society for everyone.

Affirmative: Human Flourishing 2

DEFINITIONS 2

Economic Stability 2

Economic Growth 2

VALUE: Human Flourishing 2

Definition 2

Reason to Prefer: Ultimate purpose of government 2

CONTENTION 1: Prioritizing growth above stability harms human flourishing 3

Instability leads to negative consequences 3

Economic growth doesn’t necessarily raise citizens’ quality of life 3

Growth has undesirable side effects 3

A growth-oriented society makes consumers more dissatisfied 4

Growth does not necessarily solve inequality 4

CONTENTION 2: Prioritizing stability above growth promotes human flourishing 4

A slower rate of growth may result in an increased quality of life 4

Application: Example of how a country could thrive when it doesn’t prioritize growth 5

Stability helps businesses set correct prices and production rates 6

Negative Counter-Brief: Human Flourishing 7

The right kind of growth can be extremely beneficial 7

Economic growth has many positive effects 7

Economic growth improves quality of life 8

Government must not pursue stability at the cost of growth and human flourishing 8

We ultimately want economic stability that leads to economic growth 8

Works Cited 9

Affirmative: Human Flourishing

When our founding fathers crafted the United States Constitution, they included an important list of the purposes of government. Each purpose can be summed up in one key phrase: “to promote the general welfare.” Because government ought to always act in the best interests of its citizens, please join me in affirming that: *Economic stability is more important than economic growth.*

DEFINITIONS

Economic Stability

Business Dictionary (Business Dictionary is the leading online business resource, featuring over 25,000 definitions spanning across critical business-related topics) “Economic Stability” <http://www.businessdictionary.com/definition/economic-stability.html>

A term used to describe the financial system of a nation that displays only minor fluctuations in output growth and exhibits a consistently low inflation rate. Economic stability is usually seen as a desirable state for a developed country that is often encouraged by the policies and actions of its central bank.

Economic Growth

Jim Chappelow 2019 (Jim Chappelow has 13 years of experience in economic development, forecasting, research, teaching, content creation, and strategic consulting. He has worked in the public sector as an economic development specialist and state labor market analyst. In academia, Jim has been a researcher and instructor in applied economics and strategic management at the University of Missouri and Southern New Hampshire University. He is a former Managing Economist and lead editor at ITR Economics. He has written and edited hundreds of reports, articles, and economic analyses for the general public, policy officials, academic audiences, and private consulting clients)“Economic Growth” <https://www.investopedia.com/terms/e/economicgrowth.asp>

Economic growth is an increase in the the production of economic goods and services, compared from one period of time to another. It can be measured in nominal or real (adjusted for inflation) terms. Traditionally, aggregate economic growth is measured in terms of gross national product (GNP) or gross domestic product (GDP), although alternative metrics are sometimes used.

VALUE: Human Flourishing

Definition

Human Flourishing refers to a person’s wellbeing and quality of life. It means more than just feelings of happiness, as it refers to both many aspects of both physical and mental health. Obviously, flourishing is multi-dimensional, meaning that there are many important factors that play into this. The resolution focuses us on the economic aspect of human flourishing. Thus, even though neither side can make everyone’s lives perfect, we can see which side does a better job of helping citizens flourish economically – which will ultimately improve their wellbeing.

Reason to Prefer: Ultimate purpose of government

If you ask people what they believe is the purpose of government, you’ll get a variety of answers: to control crime, to establish laws, to improve the economy, to provide for its citizens. However, although the government has many different purposes, the end goal of them all is to promote the wellbeing of citizens and to help society flourish. No matter what your political position or leaning – no matter how you believe the government should carry out its responsibilities – nearly everyone agrees that the government should be acting in the interests of its citizens. That’s why the founding fathers wrote into our Constitution that government ought to “promote the general welfare”.

Hetan Shah and Nic Marks 2014 (Hetan Shah is the Chief Executive of the British Academy, the national academy for humanities and social sciences, and a Visiting Professor at King's College London. He served as Executive Director of the Royal Statistical Society from 2011 to 2019. Nic Marks is an independent policy adviser, speaker, statistician and author. He is a recognized expert in the field of well-being research and is the founder and leader of the award-winning Centre for Well-being at the New Economics Foundation, a London-based think tank) “A WELLBEING MANIFESTO FOR A FLOURISHING SOCIETY” <https://neweconomics.org/2014/09/wellbeing-manifesto-flourishing-society>

One of the key aims of a democratic government is to promote the good life: a flourishing society, where citizens are happy, healthy, capable and engaged – in other words with high levels of well-being.

CONTENTION 1: Prioritizing growth above stability harms human flourishing

Instability leads to negative consequences

International Monetary Fund 2020 (The International Monetary Fund (IMF) is an organization of 189 countries, working to foster global monetary cooperation, secure financial stability, facilitate international trade, promote high employment and sustainable economic growth, and reduce poverty around the world) “How the IMF Promotes Global Economic Stability” <https://www.imf.org/en/About/Factsheets/Sheets/2016/07/27/15/22/How-the-IMF-Promotes-Global-Economic-Stability>

Promoting economic stability is partly a matter of avoiding economic and financial crises, large swings in economic activity, high inflation, and excessive volatility in foreign exchange and financial markets. Instability can increase uncertainty, discourage investment, impede economic growth, and hurt living standards.

Economic growth doesn’t necessarily raise citizens’ quality of life

Alana Semuels 2018 (Alana Semuels is a former staff writer at The Atlantic) “Does the Economy Really Need to Keep Growing Quite So Much?” <https://www.theatlantic.com/business/archive/2016/11/economic-growth/506423/>

As the thinking goes, growth of gross domestic product (GDP), which measures the goods and services produced in an economy every year is essential to a country’s stability and prosperity. It is growth that is responsible for each generation being better off than its parents’ generation, economists say. “More growth is better, period,” Robert Gordon, a Northwestern economist, told me.

But some economists are now challenging that view, arguing that it makes more sense to focus on measures of well-being other than growth. After all, despite a growth rate that has averaged three percent over the last 60 years (which is quite robust), there are still 43 million Americans living in poverty, and most people’s wages are essentially unchanged from the end of the Reagan administration. In fact, the median income of households in 2014 was 4 percent lower than it was in 2000, despite positive economic growth in all but two of the years during that time period. For half a century, developed nations have focused on how to make their economies grow faster, hoping that strong growth would improve life for all their populations. But what if growth isn’t the key to raising the standard of living across a society?

Growth has undesirable side effects

John L. Cornwall (John Cornwall is Professor of Economics at Dalhousie University in Halifax, Nova Scotia. He is the author of The Theory of Economic Breakdown and others) “Economic Growth” <https://www.britannica.com/topic/economic-growth>

The belief that governments should have a large say in choosing the “right” rate of growth has also led some writers to challenge the social and economic value of economic growth in an advanced industrial society. They attribute to growth such undesirable side effects of industrialization as traffic congestion, the increasing pollution of air and water, the despoiling of the landscape, and a general decline in man’s ability to enjoy the “real” amenities of life.

A growth-oriented society makes consumers more dissatisfied

John L. Cornwall (John Cornwall is Professor of Economics at Dalhousie University in Halifax, Nova Scotia. He is the author of The Theory of Economic Breakdown and others) “Economic Growth” <https://www.britannica.com/topic/economic-growth>

Some argue that in a growth-oriented society wants are created faster than the industrial machine can satisfy them, so that people are more dissatisfied and insecure than they would be if growth were not given such a high value. It is held by some critics that, in modern industrial society, consumption exists for the sake of justifying production rather than production being carried out to satisfy consumer desires. These arguments are a powerful challenge to those who see growth as the most important economic goal of a modern society.

Growth does not necessarily solve inequality

Alana Semuels 2018 (Alana Semuels is a former staff writer at The Atlantic) “Does the Economy Really Need to Keep Growing Quite So Much?” <https://www.theatlantic.com/business/archive/2016/11/economic-growth/506423/>

But even with growth, there’s no guarantee that inequality will decrease—in fact, the economy’s current trajectory is of increasing inequality. And proposals for addressing inequality, such as raising taxes on the rich, are often nixed because some economists say such prescriptions might reduce economic growth. If growth were less of an imperative, policymakers could prioritize distributional policies more than the current economy does, O’Neill said. That might mean raising taxes on the rich, or increasing tax credits for the working poor or middle class. Redistribution could be achieved by providing better educational or job opportunities for the disadvantaged, without worrying about the downsides of such government spending. It could also mean providing a basic income for the poor, something the Dutch city of Utrecht is about to test. “Current growth patterns do not produce acceptable distributions of incomes, wealth, quality of work,” [Michael] Spence, [a Nobel Prize laureate and emeritus professor at Stanford] the Stanford professor, wrote in an email. “If these issues were addressed effectively (it is hard to do) we would probably be reasonably happy with relatively lower growth.”

CONTENTION 2: Prioritizing stability above growth promotes human flourishing

A slower rate of growth may result in an increased quality of life

John L. Cornwall (John Cornwall is Professor of Economics at Dalhousie University in Halifax, Nova Scotia. He is the author of The Theory of Economic Breakdown and others) “Economic Growth” <https://www.britannica.com/topic/economic-growth>

A slower rate of growth in per capita consumption will slow down the rate of transfer of resources, but it may also result in a more livable environment. The rate of growth of individual welfare, so measured as to take into account non-consumable amenities, may even be increased.

Application: Example of how a country could thrive when it doesn’t prioritize growth

Alana Semuels 2018 (Alana Semuels is a former staff writer at The Atlantic) “Does the Economy Really Need to Keep Growing Quite So Much?” <https://www.theatlantic.com/business/archive/2016/11/economic-growth/506423/>

Victor, Spence, and other economists have begun to think about what a society that doesn’t prioritize growth would look like. It’s possible, they say, for a nation to thrive even when growth is slow. A country could instead work on making its residents safe and content, and pursue policies that would achieve those goals. That may mean helping people to work fewer hours, or consume fewer resources, or spend more time with their families. Such a nation, they say, would be a better place for everyone.

Over the past half-century, policymakers may have focused on economic growth above all else, but the next century could be a time when people obsess less about their jobs and the profits of companies, Victor hopes. Instead, a country could focus on measuring the health or happiness of its residents, rather than what they are producing. This is a tack Britain’s David Cameron took[in 2010](https://www.theguardian.com/politics/2010/nov/14/david-cameron-wellbeing-inquiry) when he said that it was time to focus on more than just GDP; he wanted the U.K. to consider the country’s general well-being as well. The U.K. now releases a national[well-being survey](http://www.ons.gov.uk/peoplepopulationandcommunity/wellbeing/bulletins/measuringnationalwellbeing/2015-09-23) that measures factors such as people’s self-reported happiness and anxiety levels, their life satisfaction on a scale from 1 to 10, and the rate at which they feel that what they do with their lives is worthwhile.

An economy not focused on growth may be a place where people don’t need to work as many hours, according to Victor. Workers have gotten [more productive](http://www.usnews.com/news/articles/2015/08/06/productivity-a-missing-piece-in-americas-economic-growth) over the past few decades, after all, so if GDP growth were to be less of a priority, a society could use the benefits of technological production to reduce working hours, all while producing the same amount. This would allow people to spend more time with their families, or to partake in more leisure activities, which Americans say they increasingly[don’t have time](http://www.newyorker.com/magazine/2014/05/26/no-time) for.

A new economy could also focus more on the health of the environment. While the government has put in place polices that express other values, such as environmental protection—those policies are often said to be directly at odds with economic growth, instead of seen as being in concert with a suite of goals that involve trade-offs. After all, growth depends on countries producing more and more goods, often using natural resources to do so. An economy more focused on environmental health than GDP growth could measure the resources it is consuming—like timber, for instance—and make sure it doesn’t extract them at a faster rate than they can be regenerated. “We’ve had this system that has relied on consumption growth to keep people employed over the last 50 years,” said O’Neill, who is also the chief economist at the Center for the Advancement of the Steady State Economy, which advocates for an economy that consumes materials at the same level that they can be replaced.

Stability helps businesses set correct prices and production rates

Frank Shostak 2019 (Frank Shostak is an Associated Scholar of the Mises Institute. His consulting firm, Applied Austrian School Economics, provides in-depth assessments and reports of financial markets and global economies. He received his bachelor's degree from Hebrew University, his master's degree from Witwatersrand University, and his PhD from Rands Afrikaanse University and has taught at the University of Pretoria and the Graduate Business School at Witwatersrand University.) “Does Economic Stability Contribute to Growth?” <https://mises.org/wire/does-economic-stability-contribute-growth>

According to popular thinking, stable economic environments in terms of stable price inflation and stable output growth acts as a buffer against various shocks. This makes it much easier for businesses to plan. In this way of thinking in particular, price level stability is the key for so-called economic stability.

For instance, let us say that a relative strengthening in people’s demand for potatoes versus tomatoes took place. This relative strengthening is going to be depicted by the relative increase in the prices of potatoes versus tomatoes.

Now to be successful, businesses must pay attention to consumers’ wishes as manifested by changes in the relative prices of goods and services. Failing to abide by consumers’ wishes will lead to the wrong production mix of goods and services and will lead to losses.

Hence, in our case, by paying attention to relative changes in prices, businesses are likely to increase the production of potatoes versus tomatoes.

On this way of thinking, if the price level is not stable then the visibility of the relative price changes becomes blurred and consequently, businesses cannot ascertain the relative changes in the demand for goods and services and make correct production decisions.

This leads to a misallocation of resources and to the weakening of economic fundamentals. Unstable changes in the price level obscure changes in the relative prices of goods and services. Consequently, businesses will find it difficult to recognize a change in relative prices when the price level is unstable.

Negative Counter-Brief: Human Flourishing

To counter this case, you need to show that economic growth is a better goal than economic stability, that it will provide better outcomes and lead to greater human flourishing. The evidence in this brief will help you do that in two ways. The first three cards are straight counterevidence, showing that growth actually is beneficial and leads to improved quality of life. The last two cards show that stability is good, but only insofar that it ultimately brings economic growth. You’ll have the advantage of common sense, as the idea that things should get better rather than staying the same is pretty intuitive. Keep focusing on how growth is the best path to human flourishing, and you’ve got a strong negative case.

The right kind of growth can be extremely beneficial

Chad Stone 2017 (Chad Stone is Chief Economist at the Center on Budget and Policy Priorities, where he specializes in the economic analysis of budget and policy issues. He was the acting executive director of the Joint Economic Committee of the Congress in 2007, chief economist for the Senate Budget Committee in 2001-02 and chief economist at the President’s Council of Economic Advisers from 1996 to 2001. Stone has been a senior researcher at the Urban Institute and taught for several years at Swarthmore College. He holds a Ph.D. in economics from Yale University) “Economic Growth: Causes, Benefits, and Current Limits” <https://www.cbpp.org/economy/economic-growth-causes-benefits-and-current-limits>

Estimates from both the Office of Management and Budget and CBO suggest that faster economic growth would improve the fiscal outlook. They find that a 0.1 percentage point increase in annual economic growth would reduce deficits by roughly $300 billion over a decade, mostly through higher revenues. While actually boosting economic growth does reduce future budget deficits, all other things equal, making unrealistic growth claims for one’s policies as a way to offset their cost will understate the adverse impact of those policies on actual future deficits.

Broadly speaking, there are two main sources of economic growth: growth in the size of the workforce and growth in the productivity (output per hour worked) of that workforce. Either can increase the overall size of the economy but only strong productivity growth can increase per capita GDP and income. Productivity growth allows people to achieve a higher material standard of living without having to work more hours or to enjoy the same material standard of living while spending fewer hours in the paid labor force.

Economic growth has many positive effects

Kimberly Amadeo 2020 (Kimberly Amadeo has over 20 years of senior-level corporate experience in economic analysis and business strategy. She is the U.S. Economy expert for The Balance and is president of WorldMoneyWatch, which produces publications about the global economy that are easy to understand, succinct, and full of practical information) “Economic Growth, Its Measurements, Causes, and Effects” <https://www.thebalance.com/what-is-economic-growth-3306014>

Economic growth creates more profit for businesses. As a result, stock prices rise. That gives companies capital to invest and hire more employees. As more jobs are created, incomes rise. Consumers have more money to buy additional products and services. Purchases drive higher economic growth. For this reason, all countries want positive economic growth. This makes economic growth the most-watched economic indicator.

Economic growth improves quality of life

Jim Chappelow 2019 (Jim Chappelow has 13 years of experience in economic development, forecasting, research, teaching, content creation, and strategic consulting. He has worked in the public sector as an economic development specialist and state labor market analyst. In academia, Jim has been a researcher and instructor in applied economics and strategic management at the University of Missouri and Southern New Hampshire University. He is a former Managing Economist and lead editor at ITR Economics. He has written and edited hundreds of reports, articles, and economic analyses for the general public, policy officials, academic audiences, and private consulting clients)“Economic Growth” <https://www.investopedia.com/terms/e/economicgrowth.asp>

In simplest terms, economic growth refers to an increase in aggregate production in an economy. Often, but not necessarily, aggregate gains in production correlate with increased average marginal productivity. That leads to an increase in incomes, inspiring consumers to open up their wallets and buy more, which means a higher material quality of life or standard of living.

Government must not pursue stability at the cost of growth and human flourishing

International Monetary Fund 2020 (The International Monetary Fund (IMF) is an organization of 189 countries, working to foster global monetary cooperation, secure financial stability, facilitate international trade, promote high employment and sustainable economic growth, and reduce poverty around the world) “How the IMF Promotes Global Economic Stability” <https://www.imf.org/en/About/Factsheets/Sheets/2016/07/27/15/22/How-the-IMF-Promotes-Global-Economic-Stability>

A dynamic market economy necessarily involves some degree of volatility, as well as gradual structural change. The challenge for policymakers is to minimize instability in their own country and abroad without reducing the economy’s ability to improve living standards through rising productivity, employment, and sustainable growth.

We ultimately want economic stability that leads to economic growth

George Leland Bach 1950 (George Leland Bach, Ph.D., is considered one of the outstanding influential figures in American business education. He was dean of the business school at Carnegie-Mellon University, Professor of Economics and Public Policy at the Stanford Graduate Business School, and author of one of the most popular textbooks in economics) “Economic Requisites for Economic Stability” <https://www.jstor.org/stable/1818036>

Surely what we want is not stability in the static sense of constancy of employment and output, but rather stability in the dynamic sense of growth in output and employment at some optimal rates, coupled (probably) with static stability of some index of prices of goods and services to consumers.

Works Cited

Business Dictionary (Business Dictionary is the leading online business resource, featuring over 25,000 definitions spanning across critical business-related topics) “Economic Stability” http://www.businessdictionary.com/definition/economic-stability.html

Jim Chappelow 2019 (Jim Chappelow has 13 years of experience in economic development, forecasting, research, teaching, content creation, and strategic consulting. He has worked in the public sector as an economic development specialist and state labor market analyst. In academia, Jim has been a researcher and instructor in applied economics and strategic management at the University of Missouri and Southern New Hampshire University. He is a former Managing Economist and lead editor at ITR Economics. He has written and edited hundreds of reports, articles, and economic analyses for the general public, policy officials, academic audiences, and private consulting clients)“Economic Growth” https://www.investopedia.com/terms/e/economicgrowth.asp

Hetan Shah and Nic Marks 2014 (Hetan Shah is the Chief Executive of the British Academy, the national academy for humanities and social sciences, and a Visiting Professor at King's College London. He served as Executive Director of the Royal Statistical Society from 2011 to 2019. Nic Marks is an independent policy adviser, speaker, statistician and author. He is a recognized expert in the field of well-being research and is the founder and leader of the award-winning Centre for Well-being at the New Economics Foundation, a London-based think tank) “A WELLBEING MANIFESTO FOR A FLOURISHING SOCIETY” https://neweconomics.org/2014/09/wellbeing-manifesto-flourishing-society

International Monetary Fund 2020 (The International Monetary Fund (IMF) is an organization of 189 countries, working to foster global monetary cooperation, secure financial stability, facilitate international trade, promote high employment and sustainable economic growth, and reduce poverty around the world) “How the IMF Promotes Global Economic Stability” https://www.imf.org/en/About/Factsheets/Sheets/2016/07/27/15/22/How-the-IMF-Promotes-Global-Economic-Stability

Alana Semuels 2018 (Alana Semuels is a former staff writer at The Atlantic) “Does the Economy Really Need to Keep Growing Quite So Much?” https://www.theatlantic.com/business/archive/2016/11/economic-growth/506423/

John L. Cornwall (John Cornwall is Professor of Economics at Dalhousie University in Halifax, Nova Scotia. He is the author of The Theory of Economic Breakdown and others) “Economic Growth” https://www.britannica.com/topic/economic-growth

Frank Shostak 2019 (Frank Shostak is an Associated Scholar of the Mises Institute. His consulting firm, Applied Austrian School Economics, provides in-depth assessments and reports of financial markets and global economies. He received his bachelor's degree from Hebrew University, his master's degree from Witwatersrand University, and his PhD from Rands Afrikaanse University and has taught at the University of Pretoria and the Graduate Business School at Witwatersrand University.) “Does Economic Stability Contribute to Growth?” https://mises.org/wire/does-economic-stability-contribute-growth

Chad Stone 2017 (Chad Stone is Chief Economist at the Center on Budget and Policy Priorities, where he specializes in the economic analysis of budget and policy issues. He was the acting executive director of the Joint Economic Committee of the Congress in 2007, chief economist for the Senate Budget Committee in 2001-02 and chief economist at the President’s Council of Economic Advisers from 1996 to 2001. Stone has been a senior researcher at the Urban Institute and taught for several years at Swarthmore College. He holds a Ph.D. in economics from Yale University) “Economic Growth: Causes, Benefits, and Current Limits” https://www.cbpp.org/economy/economic-growth-causes-benefits-and-current-limits

Kimberly Amadeo 2020 (Kimberly Amadeo has over 20 years of senior-level corporate experience in economic analysis and business strategy. She is the U.S. Economy expert for The Balance and is president of WorldMoneyWatch, which produces publications about the global economy that are easy to understand, succinct, and full of practical information) “Economic Growth, Its Measurements, Causes, and Effects” https://www.thebalance.com/what-is-economic-growth-3306014

George Leland Bach 1950 (George Leland Bach, Ph.D., is considered one of the outstanding influential figures in American business education. He was dean of the business school at Carnegie-Mellon University, Professor of Economics and Public Policy at the Stanford Graduate Business School, and author of one of the most popular textbooks in economics) “Economic Requisites for Economic Stability” https://www.jstor.org/stable/1818036