



Marketplace Moments

Bibliophoria

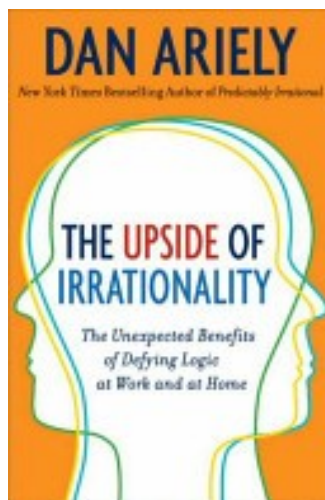
The Upside of Irrationality By Dan Ariely

Homo sapiens are considered rational beings. All economic models assumes that humans make rational decisions. However, Dan Ariely, a professor from Duke University of Psychology and Behavioral Economics indicates otherwise in his previous book on Predictably Irrational. In his currently book, he continues with great humour on his own experiences and design experiments to show these streaks of irrationality people exhibit.

Though not an explicitly Christian book, and we are not certain about his faith, the book however, affirms much of our Christian understanding on our theology of work and informs us of the validity of work through the eyes of a behavioral economist. The writing brings to bear our understanding of the many motivations that drives us. Sometimes, our actions are informed by kingdom values such as fairness and equity, pride in our creativity etc. Sometimes not.

One of his experiments for example shows how people seek and ascribe meaning to their work. When others strip of that meaning, it de-motivates them to work hard. This is congruent to our assumption that when Christians (and non-Christians) finds meaning and affirmation of our work, people perform at a higher level in the chapter 'the meaning of labor'.

Another of his experiments which is named the Ikea Effect demonstrates how people take pride in their own handi-



work (even when not done very well) and ascribe higher value to it than what is actually worth in a chapter sub-titled 'why we overvalue what we make'.

Pride of creation and ownership runs deep in human beings. When we make a meal from scratch or build a bookshelf, we smile and say to ourselves, "I am so proud of what I just made!" But isn't this a reflection of the Imago Dei when God at the end of Genesis chapter 1 said, "It is very good"? I am fascinated that there is actually a formula to reflect the proportion of effort put and the corresponding sense of ownership to a piece of work, epitomized by the Sara Lee company for cake mix.

Ariely also went on to illustrate the negativity of the 'Not invented here' bias and making the link between labor and love. I really enjoyed the book, in particular the social experiments that validates some of the assumptions and findings. Must Read!

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Of the Heart and Mind

Towards Financial Armageddon?

John Schneider in his book 'The Good of Affluence' writes, 'No economist or social theorist denies that capitalism requires that its members engage in cultural habits of acquisition and the enjoyment of quite non-essential material things (luxuries by any other name). That is what the liberation provided by capitalism is about.' The engine of economic growth is undeniably greater and greater consumption.

But is Capitalism working? Well, for the Fobers 1000 Global Billionaires whose ranks swelled from 322 in 2000 to 1426 recently. Billionaires control the vast majority of the world's wealth, while the income of American workers (elsewhere as well) stagnated.

For the rest of the world, capitalism is NOT working: A billion live on less than two dollars a day. With global population exploding to 10 billion by 2050, the inequality gap will grow, fueling revolutions, wars, adding more billionaires and more folks surviving on two bucks a day.

Singapore's Gini coefficient has risen over the last decade, from 0.454 in 2001 to 0.473 in 2011. Another common measure of income inequality, a ratio of household income from work per household member at the 90th and 10th percentiles, also worsened, from 8.58 in 2001 to 9.19 in 2011. Incomes of those at the lower rungs have also been stickier. The

latest labour market report released last month showed that from 2006 to 2010, Singaporean workers' real median incomes rose 13 per cent, while that for the bottom 20 per cent of workers rose a slower 11 per cent. Globally, income inequality is disconcerting because of the threat it poses to social stability and hence growth - something Singapore's leaders have recognised. The Prime Minister, for instance, said at the start of a new term of Parliament last October that 'income inequality is starker than before' and that 'at the lower end, incomes have risen too slowly, far too slowly'

According to Michael Sandel who wrote 'What isn't for sale?' Without being fully aware of the shift, Americans have drifted from having a market economy to becoming a market society...where almost everything is up for sale... a way of life where market values seep into almost every sphere of life and sometimes crowd out or corrode important values, non-market values. A market economy is a tool... for organizing productive activity. A market society is a way of life in which market values seep into every aspect of human endeavor. It's a place where social relations are made over in the image of the market.

For us in Singapore we too live in this market society. As we move past the early industrialization days, we are challenged to realize that simply having a greater growth in Gross Domestic



Product (GDP) cannot and should not be the ONLY measure or solution to our current problem. Neither should we be naïve to believe that the Free Market is a also Value Free.

In an article by Michael Schluter 2009, he wrote about the 5 flaws of capitalism; namely that it is an exclusively materialistic vision, it gives rewards without responsibility, limited liability of shareholders, people disconnected from place and inadequate social safeguards. He believes that these lead to the breakdown of family and community and massive government and corporations. We have seen these as the too-big-to-fail corporations.

What is the church's response? For the most part, the church has remained silent throughout the episode of the '2007—when it is coming to and end?' economic crisis. I am not asking denominations to come out and make useless declarations. I am wondering where are the minds and talents within the people of God who are engaging these monumental issues? I am consoled to know that a small group of economic talents in Asia are planning to work together in addressing these issues. We need more of them.

Eyes in a Darkened Room

In Time

It is the year 2169 and humanity had been genetically engineered to stop aging at 25 and to be born with a digital clock, bearing a year's worth of time, on their forearm. At the age of 25 the clock begins counting down; when it reaches zero, that person dies.

Time has been turned into the universal currency; one can give time for products or services, as well as transfer it to others. A person can no longer die of old age. She/he can only die by "timing out" (running out of time), having one's clock "cleaned" (murder by someone taking all their time), or through recklessness (e.g. getting shot, overdosing, etc.).

The country is divided into time zones based on the wealth of its population. The film focuses on two time zones: Dayton is poor, with a populace that has learned indifference to the timed-out bodies on its streets; and New Greenwich, the wealthiest zone where inhabitants

enjoy the benefits of their immortality and wealth, but are constantly surrounded by bodyguards and spend their time worried about accidental death.

(Wikipedia)

I am thrilled at the analogy of how we are able to reflect on life today as people living within the Market Economy, which Michael Sandel in his book 'What Isn't For Sale' called a Market Society. Consider even simple the oft quote phrase that 'Time is Money and Money is Time'. Time (and life) is commoditized in our society through work in the marketplace, where we 'give' our time to provide a service and/or labor in exchange for a pay cheque which brings either sustenance of life for many living in impoverished communities or with low paying jobs in high costs cities like Singapore, Tokyo, London or New York.

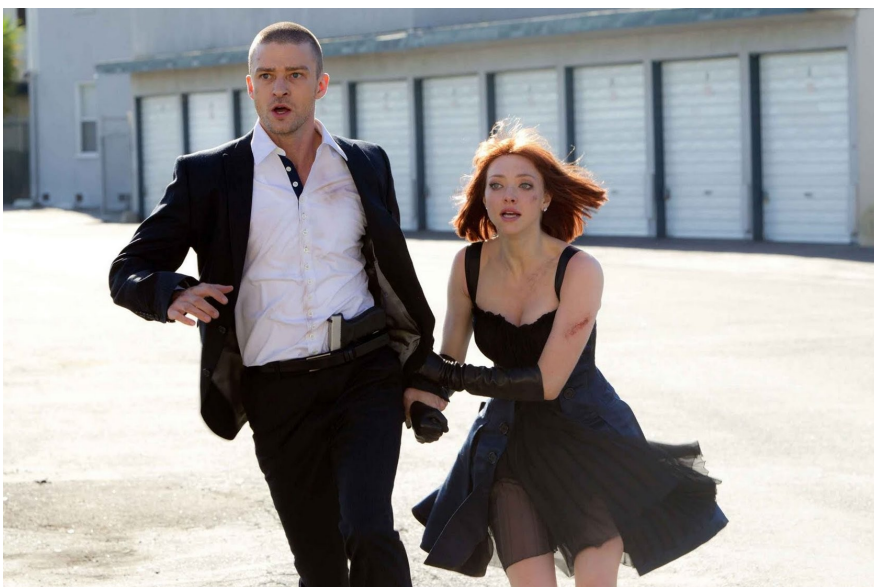
We also see the segregation of people and communities. I



often feel cut off, disconnected when I travel to counties in the region for work, where there is a world of difference between the hotel or serviced apartments I stay in and the world 'outside' the walls separated, secured by armed guards and service personnel where their monthly pay is equivalent to the price of my one night stay.

Another key aspect is the fascination of perpetual youth and beauty, where we can no longer distinguish between parents and children. The ever increasing plastic surgery, slimming spas, facial products, Hollywood and Bollywood attests to this drive.

The solution is a Robin Hood styled robbing the rich and giving the poor, in this case, distributing time from the time bank. It gives us much challenge as to how we can move from such a commoditized society to one that values people and relationships. (Timothy Liu)



**Marketplace
Christian Network**

Teban Garden Post Office
PO Box 669
Singapore 916003



Phone: +65 6872 4732
Email:
info@marketplacechristian.net
Web-site:
▶ www.marketplacechristian.net

**Kingdom Building
at the Workplace**

Coming Events

For more information check our web-site.

16 Jul - Capitalism in the Last Days

18 Jul - Crossings 2013 (School to Work
Transition)

2-6 Aug - East Asia Graduates' Conference

