Session 4

Growth and Institutions: A History

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1. The Great Enrichment

a) Holland and England

b) North America

c) Western Europe

d) Other countries

2. Possible causes

a) Culture

b) Geography

c) Technology

d) Institutions

3. Types of societal ordering

a) The natural state – a limited access order

1. A dominant coalition whose members possess special privileges.

2. Personal relationships form the basis for social organization

3. A pervasive sense that not all individuals were created or are equal

4. Exists because it controls violence

b) Open access order

1. A widely held set of beliefs about the inclusion of ands equality for all citizens

2. Entry into economic, political, religious, and educational activities without restraint

3. Support for all organizational forms in each activity, that is open to all (for example, contract enforcement)

4. Rule of law enforced impartially for all citizens

5. Impersonal exchange

4. The importance of human dignity – the Imago Dei