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Level 3 Education for Sustainability 2024

91736 Analyse how different worldviews, and the values and practices associated with them, impact on sustainability

EXEMPLAR

Merit

TOTAL 05

AS 91736 - Analyse how different world-views, and the values and practices associated with them, impact on sustainability

Executive summary (5 to 6 sentences maximum)

This report compares capitalism and communism and how they affect sustainability. Capitalism focuses on making a profit, which boosts economic growth but can harm the environment and create inequality. In contrast, communism aims to share resources equally, reducing poverty but potentially slowing economic progress and limiting individual freedom. Both systems face challenges: capitalism can lead to resource depletion and environmental damage, while communism might cause inefficiencies and social unrest. To ensure a sustainable future, both systems need to adapt their values and practices to balance economic growth with environmental protection and social fairness.

Section 1: Introduction

- What does World View and Sustainability mean?

A worldview is someone's understanding and interpretation of the world. This includes their beliefs, values, and ideas about how things should work. Sustainability is about ensuring that we can meet our needs today without compromising the ability of future generations to meet theirs. It involves using our resources with care and protecting the environment to make sure that everyone has a fair opportunity to live well now and in the future.

Capitalism is an economic system in which private industries or businesses own and control their assets and resources, such as factories, land, and cars (Britannica, 2024). The main value of capitalism is for producers to make a profit (Britannica, 2024). A capitalist economy is free-market based, where the supply and demand of products determine the prices of goods and services (Britannica, 2024). There is limited government intervention in the free market unless negative externalities cause spillover costs to third parties that cause harm to society. Having limited government intervention is a positive as this allows unregulated markets to maximise their profits and for regulated markets to minimise the negative externalities that harm society (Investopedia, 2024). Capitalism allows people to choose what they want to buy, produce, and invest in, promoting free will in these economies. Capitalism can lead to wealth disparities as individuals and businesses can become very wealthy while others remain very poor. This report will focus on New Zealand, which has the 5th most capitalist economy (World Population Review, 2024).

Communism is an economic system that aims to create a society without classes, making everyone 'equal' (Investopedia, 2024). By making everyone equal, communism aims to get rid of the divide between rich and poor. All resources, factories, and businesses are owned by everyone, not individuals or businesses (Investopedia, 2024). Unlike capitalism, the government runs the economy by deciding what people can produce and invest in. This allows everyone to benefit from everyone's work as production is shared. For this report, I will focus on Cuba as Cuba is a communist country. Cuba is considered a communist country as its current government, the Cuban Communist Party assumed power in 1959 by force, with no opposing political party (Britannica, 2024). This leaves the authoritarian government in complete control as citizens cannot vote for an opposing power.

Section 2: Explanation of two different world-views

The value of freedom is practised in a capitalist society as businesses can freely enter and leave markets (International Monetary Fund, n.d.). This is beneficial as it means that businesses cannot experience excessive profits or losses because if they experience high profits, other businesses could join the market to compete against those businesses. If businesses experience high losses, they could quickly leave the current market and join another market (BYJU's, n.d.). This example of capitalism is seen in New Zealand, which is ranked the fifth most capitalist economy, with an economic freedom index of 78.9. Starting a small business in New Zealand only costs around \$1000 to set up (Quick Loans, 2023). New Zealand also has very few restrictions when it comes to establishing, owning, and operating a business. These include registering the

business, getting licences and permits, and getting a NZ business number (Wise Move, 2024). The value of freedom causes this practice because it allows businesses to create more innovative advertisements or product ideas to remain competitive in their respective market. This competition drives the economic growth of capitalist economies (OECD, 2024). Businesses freely entering and leaving markets positively contribute to economic sustainability. It also increases social sustainability.

The value of profits is practised in a capitalist society as the supply and demand of products determine the prices of goods and services (Britannica, 2024). This is beneficial as the free market prices change to accommodate any shortages or surpluses of a good or service. This can be seen in New Zealand in December 2022 when the Todd Energy Kāpuni plant that supplies liquid CO₂ was temporarily closed due to an ammonia leak (Stuff NZ, 2023). This led to a beer shortage as CO₂ was rationed, meaning beer production decreased, leading to a lower quantity of beer available to consumers. This led to a shortage as consumer demand was higher than producers' supply of beer, and overall trading fell 30% due to the shutdown (Industrial Air, 2023). This meant the price of beer rose as consumers bid up the price, making some consumers unwilling to pay the higher price. Therefore, consumer demand decreased to meet a new market equilibrium (Economics Class, 2024).

It also positively contributes to environmental sustainability as this concept can also be applied to surpluses of goods when the supply of a product is higher than the demand for the product, leading to excess stock. Excess stock can be sold by lowering the price, meaning that old stock is not sitting in warehouses and is at risk of being thrown out. This means there is no product wastage, benefiting the environment as overproduction does not lead to fuller landfills.

The value of ownership of resources is practised in a capitalist society as individuals and businesses own their resources and assets instead of the government. This is beneficial as it allows people freedom of choice and means they are more likely to invest in their assets as they own them, unlike in a communist economy where the government owns assets. This example of capitalism is seen in New Zealand as investing is better in long-term assets than short-term assets, as long-term assets, also known as fixed assets, are expected to provide economic benefits to the business in the future (CFA Institute, 2023). Long-term assets are more favourable to businesses rather than short-term ones as they allow for growth over a long period, whereas short-term assets are riskier and may see a smaller return on investment than long-term assets (Wesleyan, n.d.). This benefits economic sustainability as long-term assets such as land, buildings, vehicles, and technology allow a business to carry out operations to make a profit in the long term (Sage Software, n.d.).

The value of equality is practised in a communist society, where the government owns and controls resources and assets. This is done to equally share wealth and job opportunities between all citizens (Dagger, R., Ball T, 2024). It also allows the government to manage the economy as it can make decisions on the production, distribution, and consumption of products. This way, everyone can have equal access to these resources, especially essential services such as education, healthcare, and housing, as individuals cannot gain large amounts of wealth or power at the expense of others (Cornforth M., n.d.). This equality can help social sustainability as the wealth is shared across all citizens, reducing social inequalities such as poverty, hunger, and homelessness because people can afford a higher standard of living.

The value of state control is practised in a communist society as the government has the authority to make all decisions on the production, distribution, and consumption of goods and services in the economy (Cornforth M., n.d.). This is done to try and remove market inequality, e.g. inequalities in employment opportunities, wages, and hours. This can also make sure the resources are allocated to the needs of the population rather than individuals or businesses gaining excessive wealth or power. In Cuba, the value of state control is seen in the Cuban government as it governs and operates all healthcare facilities to make them free for all citizens (Cuba Platform, n.d.).

The value of collective welfare is practised in a communist society, where the well-being of everyone is focused on more than individual gain. This is done by the government, which provides social services such as education, healthcare, and social security to every citizen to make sure everyone's basic needs are met (Dagger, R., Ball T., 2024). Focusing on collective welfare reduces social inequalities to ensure people have the resources they need to live comfortably, increasing citizens' quality of life. This is seen in Cuba, as

education is free from primary all the way to university for their citizens (Visit World, n.d.). Free education allows every citizen to become fully educated without the burden of the costs.

Section 3: Analysis in relation to aspects of sustainability

In a capitalist society, the values of freedom, profits, and ownership of resources help businesses operate to their full potential, as seen by the freedom to enter and exit markets encouraging competition, which makes businesses have to innovate and improve their products to keep their competitiveness. Focusing on profits makes sure that resources are allocated efficiently as prices are determined by the supply and demand curve, where prices adjust to balance shortages and surpluses.

Ownership of resources motivates people to invest in their assets to be more economically stable in the long term. These practices contribute to economic sustainability by keeping markets competitive.

Capitalism also positively contributes to social sustainability by creating jobs and allowing individuals and businesses to accumulate wealth. Market competition leads to innovations in business products, which can create job opportunities in the capitalist economy. More job availability means more people can work, increasing the standard of living for many households as households have enough money to spend on non-necessities such as entertainment and going out, increasing happiness in households. This also contributes to economic sustainability as households having higher incomes can have higher disposable incomes, leading to money circulating more throughout the economy and increasing economic growth.

However, it can also negatively impact environmental sustainability as the values of profits and ownership of resources lead to wealth accumulation and prioritise economic growth over the environment. Capitalism encourages businesses to continuously farm natural resources in order to keep up with production and consumption. This is currently resulting in the exploitation of resources through deforestation, mining, and overfishing, destroying habitats and ecosystems, which is decreasing biodiversity and abundance of species.

In contrast, a communist society values equality, state control, and collective welfare. The government's control over resources and decision-making makes sure that wealth and opportunities are distributed more equally, reducing social inequalities such as poverty and homelessness. Collective welfare also works with this by making sure that the basic needs of all citizens are met. These practices support social sustainability by focusing on the population's well-being as a whole. Distributing wealth and resources evenly helps to address inequality of people's income and access to services such as education, healthcare, and housing, leading to a more equitable society, which can decrease the amount of poverty and homelessness in the communist society. The government also meets the basic needs of its citizens, increasing social sustainability as it provides access to services for especially vulnerable populations, which can help reduce homelessness and poverty and lead to social stability. Communism may also negatively impact social sustainability as people lack freedom as the government controls the allocation of resources and decisions on production and consumption. This limits people's ability to make their own choices on how they live their lives, making people feel less motivated to work efficiently and feel like they are not in control of their lives.

Section 4: Comparison of each of the two world-views

There are present and future issues in capitalism between economic, environmental, and social sustainability. Capitalism values profit and wealth to promote economic sustainability, but at the same time, it has not promoted environmental sustainability. Businesses focus on short-term profits, exploiting resources rather than the long-term consequences of resource depletion. This promotes economic sustainability as businesses have a source of income, allowing them to cover costs. Still, it can become an issue if resources are depleted, leading to shortages. An example of this resource depletion can be seen in forests. Companies will deforest large areas to gather wood. If trees are not replanted, wood shortages will negatively affect production in many markets. This is also an environmental issue, as using up all resources in the short term can lead to habitat destruction. This is when an ecosystem is destroyed so severely that it can no longer support plant and animal species, so organisms have to migrate to find a new habitat to survive or risk dying. Habitats are destroyed through human activities such as deforestation to make room for agriculture, such as pastures for livestock or tilled land for crops, and urbanisation, such as factories, warehouses, and office buildings in capitalist societies. Future issues may include the continued exploitation of natural resources, leading to irreversible damage to habitats and ecosystems, resulting in decreased biodiversity and species abundance and risking species extinction. This negative impact on sustainability may be shared in a communist society as the exploitation of natural resources may occur in both societies;

even if communist societies spread their wealth. The needs of the population as a whole may still exploit the natural resources. This can also be further exacerbated by a growing population as the spread of resources cannot provide citizens enough to live comfortably, decreasing people's quality of life. The overuse of resources in both world views can deplete the planet's natural resources. This can lead to the planet no longer being able to support future generations as its natural resources have been used beyond regeneration and recovery. This lack of resources endangers all species on the planet, including human life. Both worldviews are going to have to adapt their values and practices in order to address the current and future issues on environmental sustainability to find a balance between growing the economy and taking care of the environment for future generations and the future of our planet.

In communism, there are present issues between economic sustainability and social sustainability. The focus on equality and state control may lead to a more equitable distribution of resources and reduce poverty. Still, the lack of individual freedom and government control may lead to a lack of innovation in businesses and a lack of economic growth, which can lead to economic downturn. This can also impact social sustainability, as the lack of individual freedom makes people feel out of control about how they want to live. A future issue with communism may be that the lack of freedom leads to people's distrust of the government, and government control can negatively impact social sustainability. When the government has full control over its citizens, citizens may be forced to live in poor conditions, with lots of restrictions, and are unable to speak out against the government. This can further lead to issues in the market where government control on goods is disregarded, and instead people purchase illegally within the blackmarket. A future issue on social sustainability may be citizens' distrust in the government could lead to a tense and unstable society. If people feel like they have no say in how they live or that the government isn't listening to their needs, frustration could build up overtime. This frustration and feeling of being oppressed might lead to protests, civil unrest, and people rising up against the system in revolution. Revolutions could happen when the citizens feel like they have no other way to earn more freedom and better living conditions. This can have a huge impact on both economic and social sustainability as revolutions disrupt a country's economy entirely, which can be a long-term challenge to fix as people can experience unemployment, poverty and shortages of products, including basic necessities. Revolutions also negatively impact social sustainability as they often involve violence, leading to loss of life and leaving long-lasting trauma on individuals and communities. This can make it harder for society to heal and move forward, decreasing people's quality of life.

Capitalism and communism also have differing impacts on sustainability. Capitalism's values focus on innovation, economic growth, and stability. These lead to rapid technological advancements as companies compete with each other and create wealth. However, the opportunity cost is that wealth is unevenly distributed across society, where the wealthy become wealthier and the poor become poorer. On the other hand, communism prioritises equity and control by distributing wealth and resources amongst society. This makes for a more equitable society, but it also may lead to a less trustful and more dissatisfied society, as individual freedom comes at the expense of the society's equity.

Capitalism and communism have different effects on sustainability, both now and in the future. In capitalism and also communism, the focus is on making profits and economic growth, which can lead to resource depletion and environmental damage, like deforestation. This could cause problems for future generations if natural resources run out. On the other hand, communism aims for equality, but it can stifle innovation and make people feel like they have less freedom. This lack of freedom could lead to distrust in the government, social unrest, and even revolutions, which would hurt both economic and social sustainability. Both systems need to adapt to address these challenges and find a balance between growing the economy and protecting the environment.

Reference list

Provide a list of references and sources, including web links, using appropriate referencing conventions and systems such as APA or ACS.

This recommended report structure is offered as a guide only. It is not intended as a prescriptive approach but rather to provide robust guidance to teachers and candidates on how to address the requirements of Achievement Standard 91736. Other approaches are possible.

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Merit

Subject: Education for Sustainability

Standard: 91736

Total score: 05

Task	Grade score	Marker commentary
One	M5	The response provided good links to several aspects of sustainability, with referenced evidence supporting the analysis. The comparative explanation between communism and capitalism was developed, showing an understanding of key differences and implications. However, the exploration of complexities was limited, lacking the depth needed for higher-level critical engagement.