

I. Slide=3

A. Relationship

1. Political system & Economic system is crucial

B. One depends upon the other (dialectic process)

C. People tend to confuse the two concepts

1. No such thing as Communist government; Communism is an economic system

2. No such thing as Democratic economy; Democracy is a system of government

D. Capitalism, Socialism, Communism – economics

E. Democracy, dictatorship/totalitarianism – politics

II. Types of Economic Systems – **(on handout)**

III. Advantages and Disadvantages

A. Capitalist economies

1. Advantages

a. Out produce socialist economies

b. Higher standard of living

c. Civil liberties & political freedom

2. Disadvantages

a. Greater income disparity

b. Corruption

B. Socialist economies

1. Advantages

a. Greater economic equality

b. Greater access to medical care, education, pension, etc. for all

2. Disadvantages

a. Lower production/underproduction

b. Lower standard of living for most

c. Corruption

- d. Limited personal freedom
- e. Established political and military power elite

#### IV. History of Economic Systems

##### A. Pre-industrial, Industrial, post-industrial

- 1. Pre-industrial
  - a. Hunting & Gathering
  - b. Horticultural – production of food – less nomadic
  - c. Agrarian
- 2. Industrial – Industrial Revolution – England (1760-1830)
- 3. Postindustrial Economy
  - a. Service work and high technology

#### V. Stages of Economic Evolution, According to Karl Marx (T-107)

##### A. Level of Development

- 1. Hunting/Gathering//Horticulture/Herding///Agriculture///Industry

##### B. Ownership System

- 1. Primitive Communism///Slavery//Feudalism///Capitalism//Socialism//Classless Communist Society

#### VI. Sectors of the Economy

##### A. Primary – raw materials

- 1. Agriculture, fishing, forestry, mining

##### B. Secondary – manufacturing goods

- 1. Petroleum refinement, metals to "stuff"

##### C. Tertiary – generates services

##### D. Underground – activity unreported to government as required by law

#### VII. Postindustrial (economy) / Postmodern Societies (sociel)

##### A. Post industrialism – economy

- 1. Information based
  - a. Decline in primary sector of economy
  - b. More productive, fewer workers
  - c. Service sector Jobs

Notes for Sociology – 2009-11-11

- i. Sales, law, advertising, teaching
  - ii. Low wages
- B. Post modernity – social patterns of post industrial societies
- 1. Preoccupation – consumer goods & media images
  - 2. Culture exported across national boundaries