**Ch. 12 Government and Economic Institutions**

**GOVERNMENT**

**☆Major Functions of Modern Government:**

### **1)Preserve Order ; 2) Defend Against External Enemies; 3) Manage Economic Conditions ; 4) Redistribute Income and Resources; 5) Provide Collective (Public) Goods ; 6) Prevent Externalities (**Costs or benefits that impact society but are not included in the market price of a good or service. Pollution is an example of a negative externality. )

**Government, Power, and Authority**  
One cultural universal is the exercise of power and authority

**Politics is “who gets what, when, and how**” (Lasswell)

**Political and economic systems are intertwined.**

**Political system:** unique to each country; founded on a recognized set of procedures

**Economic system**: social institution through which goods and services, are produced, distributed, and consumed

**Power: ability to exercise one’s will over others (Weber)**

**☆Sources** of power in political systems:

1)**Force**: actual or threatened use of coercion to impose one’s will on others.

2)**Influence**: exercise of power through process of persuasion.

3)**Authority**: institutionalized power recognized by the people over whom it is exercised.

☆ **Types of Authority : Three ideal types of authority (Weber)**

1)**Traditional authority**: legitimate power conferred by custom and accepted practice .

2)**Rational-legal authorit**y: power made legitimate by **law** .

3)**Charismatic authority**: power made legitimate by leader’s exceptional personal or emotional appeal to his or her followers.

**Types of Government :**

**1)Monarchy** : Form of government headed by a single member of a royal family.

2) **Oligarchy** : Form of government in which a few individuals rule.  
**3) Dictatorship**: government in which one person has nearly total power to make and enforce laws.

**4**) **Totalitarianism**: involves virtually complete government control and surveillance over all aspects of a society’s social and political life.

**5) Democracy : Government by the people.  
6**)**Representative democracy**: certain individuals elected to speak for the peoples is representative democracy .

**War and Peace**

**War**: conflict between organizations that possess trained combat forces equipped with deadly weapons (Caplow and Hicks)Legal definition typically requires formal declaration of hostilities.

**Three sociological approaches:**

**1)Global view** studies how and why nations become engaged in military conflict.

2)**Nation-state view** stresses interaction of internal political, socioeconomic, and cultural forces.

3)**Micro view** focuses on social impact on individuals and their groups.

**Peace: absence of war, and proactive effort to develop cooperative relations among nations. Since 1990s, 90% of armed conflicts occurred within states.**

**Terrorism**: use or threat of violence against random or symbolic targets in pursuit of political aims Hope to intimidate society and bring about a new political order Essential aspect of contemporary terrorism involves use of the media Governments becoming concerned about malicious cyberattacks.

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**ECONOMY**

**Economic Systems:** Industrial society: society that depends on mechanization to produce its goods and services.

☆ **There are 3 common economic systems in modern society** namely :

1) **Capitalism**: economic system in which means of production are held largely in private hands. Main incentive for economic activity is accumulation of profits. **Laissez-faire**: businesses compete with minimal government intervention. **Monopoly** exists when a single firm controls the market. Monopolies are tolerated in contemporary capitalism.

**2) Socialism**: means of production and distribution owned collectively rather than privately owned Wide variation in toleration of private ownership.

**3) Communism**: economic system under which all property is communally owned and no social distinctions are made on the basis of people’s ability to produce.

**Informal economy:** transfer of money, goods, or services is not reported to the government. Difficult to measure in developing nations. Informal economy represents 40–60% of economic activity and often is unmeasured.

**Changing Economies** Advocates of power elite model: trend in capitalist societies toward concentration of ownership by giant corporations Especially multinational corporations.

**Four outgrowths of this trend**: 1) Changing workforce 2)Deindustrialization 3)Temporary workforce 4) Offshoring.

**1)The Changing Face of the Workforce**  
 Sociologists and labor specialists foresee workforce increasingly composed of women and racial and ethnic minorities. From 1988 to 2018, 52% of new workers expected to be women. More diverse workforce means relationships between workers more likely to cross gender, racial, and ethnic lines

**2)Deindustrialization**: systematic, widespread withdrawal of investment in basic aspects of productivity. Can take the form of corporate restructuring. Downsizing: reductions in a company’s workforce as part of deindustrialization. Social costs cannot be overemphasized

**3)The Temporary Workforce**  
Increasing reliance on part-time workforce. Workers are temporary or seasonal; and lack benefits. Some workers seek out part-time jobs. Increase in precarious work: employment that is poorly paid, and from the worker’s perspective insecure and unprotected.

**4)Offshoring: transferring work to foreign contractors**Latest tactic in raising profits by reducing costs. Conflict theorists: this aspect of globalization furthers social inequality. Not inevitable; some reshoring occurs.