Chapter Eleven: Politics and the Economy

Learning Objectives

- Understand the difference between authority and coercion. Compare and contrast the different types of authority.
- Identify the different types of government.
- Describe the U.S. political system and its various components.
- Interpret the concept of power in the U.S. using the conflict and functionalist perspectives.
- Analyze how war and terrorism are used to attain political objectives.
- Understand how economic systems change across time.
- Explore the two economic systems: capitalism and socialism.
- Discuss the impact of the globalization of capitalism.
- Identify the trends that indicate that a new global order may be on its way.

Chapter Summary

For society to exist there must be a system of leadership and power. Authority is the legitimate use of power that people accept as right. In contrast, coercion is the illegitimate use of power that people do not accept as just. The government, also called the state, is a political entity that claims a monopoly on the legitimate use of force or violence in a particular territory.

Why do people accept power as legitimate? Max Weber identified three sources of authority: traditional authority, rational-legal authority, and charismatic authority. Traditional authority is based on custom. Rational-legal authority is based on laws or written rules and regulations. Charismatic authority is based on an individual’s outstanding personal traits.

For all societies, the orderly transfer of authority from one leader to another is crucial for social stability. Under traditional authority, customs dictate who is next in line; under rational-legal authority, procedures define rules of succession. The transfer of authority in societies headed by charismatic leaders is the most unstable. It can result in the breakup of the society or a bitter struggle for succession.

Major types of government include monarchies, democracies, dictatorships, and oligarchies. A monarchy is headed by a king or queen, while a democracy is headed by an elected official. Dictatorships are usually headed by a single individual who seizes power; oligarchies are based on small groups seizing power.

Since the time of the Civil War, politics in the United States has been dominated by two major political parties, the Democrats and the Republicans. Although these two parties represent different philosophical principles, each party appeals to a broad membership, strives to be seen as centrist in its positions, and firmly supports core American policies.
Voting patterns in the United States consistently demonstrate that the more people are integrated into society and have a stake in the political system, the more likely they are to vote. The percentage of people who vote increases with age. Women are more likely than men to vote; other groups likely to vote are Non-Hispanic whites, college graduates, and the employed. Income is also a factor in voting, with a steady increase in the likelihood someone will vote as their income increases.

Voter alienation and voter apathy are feelings of indifference over the importance of one’s vote. Because of voter apathy, only half of all eligible voters in the United States cast votes in presidential elections. There are also significant gender and racial-ethnic gaps in voting.

Because the costs of running for political office are so high in the United States, money is a significant factor in American politics. As such, lobbyists and special-interest groups play an influential role in helping political candidates get elected to office.

Functionalists and conflict theorists have different views on the distribution of power in American politics. Functionalists contend that the many competing interest groups tend to balance one another out and that our system of checks and balances provides a pluralistic form of government. Conflict theorists argue that the nation’s top corporate, political, and military leaders make up a power elite that runs the country.

Periodically, governments direct the violence they monopolize against other nations. This armed conflict between nations is referred to as war. Nicholas Timasheff identified three essential conditions of war: an antagonistic situation, a cultural tradition of war, and a “fuel” that heats up the situation. Weaker groups often resort to terrorism, which is violence perpetuated to incite fear.

The economy is a system of producing and distributing goods and services. In today’s postindustrial society, this process is radically different than in earlier societies.

The earliest human groups, hunting and gathering societies, had a subsistence economy. Composed of groups of 25 to 40 people, they lived off the land, produced little or no surplus, and had little, if any, social inequality. The hunting and gathering society evolved into pastoral and horticultural societies with the domestication of plants and animals. Permanent settlements began to appear, as did the development of surpluses. With the invention of the plow, the agricultural society developed, which led to the development of cities. The industrial society followed when, in 1765, the steam engine was invented. In 1973 the postindustrial society was named, placing the emphasis on service and technology. A new society, the biotech society, may be developing based on advances in biology and economics.

As societies became more complex, they consistently produced greater surpluses. With the increase in surplus, trade also increased. This, in turn, created social inequality as some people began to accumulate more than others. As societies continued to become more complex, their division of labor, surpluses, trade, and social inequality all continued to increase.
Currently, the world’s two main economic systems are capitalism and socialism. There are two forms of capitalism: laissez-faire capitalism and welfare (state) capitalism. Likewise, there are two types of socialism: socialism and democratic (welfare) socialism. In recent years, there has been a convergence of capitalism and socialism with both systems adopting features of the other.

As the division of labor has become global in recent years, workers—and nations—around the globe have become more economically interdependent. Although they continue to be socially divided by class, there is a greater reliance among nations to share raw materials, labor, financial aid, and markets on a global scale. The globalization of capitalism is leading to a new world structure based on three primary trading blocs: North and South America, Europe, and Asia.

Although workers in the United States are among the most productive in the world, they are earning less money today, controlling for inflation, than they were in 1970. Although the average rate of pay has jumped from $3 an hour in 1970 to almost $19 an hour today, workers can only buy about as much today as they did in 1970.

Global trade and the new technology will continue to affect the worldwide economy in ways that are likely to increase the economic inequality between richer and poorer nations, especially with the rise of a global superclass. As capitalism continues to become globalized, political systems are trending toward unity. Organizations such as NAFTA, ASEAN, the WTO, and the EU may indicate increasing unity in the future. It is possible that political and economic strains being experienced today may lead to an integrated, dominating global government.

Chapter Outline

I. Power, Authority, and Violence
   A. Authority is legitimate power that people accept as right, while coercion is power that people do not accept as just.
   B. The state claims a monopoly on legitimate force or violence in society; violence is the ultimate foundation of any political order.
   C. Traditional authority (based on custom) is prevalent in tribal groups where custom determines relationships. When society industrializes, traditional authority is undermined but does not die out. For example, parental authority is traditional authority.
   D. Rational-legal authority (based on written rules, also called bureaucratic authority) derives from the position an individual holds, not from the person. Everyone (no matter how high the office) is subject to the rules.
   E. Charismatic authority (based on an individual’s personal following) may pose a threat. Because this type of leader works outside the established political system and may threaten the established order, authorities are often quick to oppose this type of leader.
   F. Orderly transfer of authority upon death, resignation, or incapacity of a leader is critical for stability. Succession is more of a problem with charismatic authority than with traditional or rational-legal authority because there are no rules for orderly succession.
G. To deal with succession, some charismatic leaders will appoint a successor who may or may not be received favorably by the followers. Another strategy is to build an organization. This routinization of charisma refers to the transfer of authority from a charismatic leader to either traditional or rational-legal authority.

II. Types of Government
A. A monarchy is a government headed by a king or queen.
1. As cities developed, each city-state (an independent city whose power radiated outward, bringing adjacent areas under its rule) had its own monarchy.
2. As city-states warred with one another, the victors would extend their rule, eventually over an entire region. As the size of these regions grew, people began to identify with the region; over time this gave rise to the state.
B. A democracy is a government whose authority derives from the people.
1. The original American colonies were small and independent; after the American Revolution the colonies united and formed a democratic government.
2. The first democracy in the world existed about 2,500 years ago in Athens, Greece. Members of some Native American tribes were able to elect chiefs; in some, women also voted and even held the position of chief.
3. Because of their small size, these groups were able to practice direct democracy (eligible voters meet to discuss issues and make decisions). Initially, the colonies and then the states practiced direct democracy because they were small. Representative democracy (voters elect representatives to govern and make decisions on their behalf) emerged as the U.S. population grew in size and spread out across the country, making direct democracy impossible.
4. Today, citizenship (people having basic rights by virtue of birth or residence) is taken for granted in the United States; this idea is quite new to the human scene. Universal citizenship (everyone having the same basic rights) came into practice very slowly and only through fierce struggle.
C. Dictatorship is government where power is seized and held by an individual; oligarchy results when a small group of individuals seizes power. Dictators and oligarchies can be totalitarian; this is when the government exercises almost total control of a people.

III. The U.S. Political System
A. The Democratic and Republican parties emerged by the time of the Civil War.
1. The Democrats are often associated with the working class and the Republicans with people who are financially better off.
2. Since each appeal to a broad membership, it is difficult to distinguish conservative Democrats from liberal Republicans; however, it is easy to discern the extremes. Those elected to Congress may cross party lines because although officeholders support their party’s philosophy, they do not necessarily support all of its specific proposals.
3. Despite their differences, however, both parties support the fundamentals of U.S. society, such as freedom of religion, speech and assembly; free public education; a strong military; and capitalism.
4. Third parties do play a role in U.S. politics, although generally they receive little public support. Ross Perot’s “United We Stand” party is one exception.

B. Voting Patterns
1. U.S. voting patterns are consistent: the percentage of people who vote increases with age; non-Hispanic whites are more likely to vote than African Americans; those with higher levels of education are more likely to vote, as are people with higher levels of income; women are slightly more likely than men to vote.
2. The more that people feel they have a stake in the political system, the more likely they are to vote. Those who have been rewarded by the system feel more socially integrated and perceive that elections directly affect their lives and the society in which they live.
3. People who gain less from the system in terms of education, income, and jobs are more likely to be alienated.
4. Voter apathy is indifference/inaction to the political process. As a result of apathy, only about half of eligible American voters cast ballots in presidential elections.
5. Today, we recognize a gender gap in voting. Men are more likely to vote for Republican candidates, while women are more likely to vote for Democratic candidates.
6. There is an even larger racial-ethnic gap in politics; few African Americans vote for a Republican presidential candidate.

C. Special-interest groups are people who think alike on a particular issue and can be mobilized for political action.
1. Lobbyists (people paid to influence legislation on behalf of their clients) are employed by special interest groups and have become a major force in politics.
2. Political action committees (PACs) solicit and spend funds to influence legislation and bypass laws intended to limit the amount any individual, corporation, or group can give a candidate. PACs have become a powerful influence, bankrolling lobbyists and legislators, and PACs with the most clout gain the ear of Congress.
3. A few PACs represent broad social interests. Most stand for the financial interest of groups such as the dairy, oil, banking, and construction industries.

IV. Who Rules the United States?
A. According to the functionalists, the state was created because it fulfilled a basic social need.
1. People must find a balance between having no government (anarchy) and having a government that may be too repressive, turning against its own citizens.
2. The functionalists say that pluralism, the diffusion of power among many special-interest groups, prevents anyone from gaining control of the government. Functionalists believe it helps keep the government from turning against its citizens.
3. To balance the interests of competing groups, the founders of the U.S. system of government created a system of checks and balances in which separation of powers among the three branches of government ensures that each is able to
nullify the actions of the other two, thus preventing the domination by any single branch.
4. Our society is made up of many different groups representing special interests, such as racial-ethnic groups, women, farmers, factory workers, bankers, bosses, and the retired, to name a few. In this system, power is widely dispersed; as each group pursues its interests, it is balanced by others pursuing theirs.

B. According to the conflict perspective, lobbyists and even Congress are not at the center of decision making; rather, the power elite makes the decisions that direct the country and shake the world.
1. As stated by C. Wright Mills, the power elite (heads of leading corporations, powerful generals and admirals in the armed forces, and certain elite politicians) rule the United States. The corporate heads are the most powerful, as all three view capitalism as essential to the welfare of the country; thus, business interests come first.
2. According to William Domhoff, the ruling class (the wealthiest and most powerful individuals in the country) runs the United States. Its members control the United States’ top corporations and foundations; presidential cabinet members and top ambassadors to the most powerful countries are chosen from this group.
3. The power elite is not a secret group. Their unity comes from the similarity of their backgrounds. Most have attended prestigious schools, belong to exclusive clubs and are extremely wealthy.

C. While the functionalist and conflict views of power in U.S. society cannot be reconciled, it is possible to employ both. The middle level of C. Wright Mills model best reflects the functionalist view of competing interests holding each other at bay. At the top is an elite that follows its special interests, as conflict theorists suggest.

V. War and Terrorism: Implementing Political Objectives
A. War (armed conflict between nations or politically distinct groups) is often part of national policy.
B. War is not characteristic of all human groups, but simply one option for settling disputes.
C. Nicholas Timasheff identified three essential conditions of war:
   1. An antagonistic situation exists, with two or more states confronting incompatible objectives.
   2. There is a cultural tradition of war; because they have fought wars in the past, leaders see war as an option.
   3. A “fuel” heats the antagonistic situation to the boiling point, so that people move from thinking about war to engaging in it. Timasheff identified seven fuels: revenge, power, prestige, unity, position, ethnicity, and beliefs.
D. Despite the fact that war is costly to society, it continues to be a common technique for pursuing political objectives.
E. Today, terrorism has become a reality for Americans.
   1. Terrorism is the use of violence to create fear so that a group can meet its political objectives.
2. Hatred between ethnic groups can serve as an impetus for terrorist activities.
3. Suicide terrorism is one of the few options available to a weaker group that wants to retaliate against a powerful country. For example, the attack on the World Trade Center and the Pentagon were instances of suicide terrorism.
4. The real danger is from nuclear, chemical, and biological weapons that could be unleashed against civilian populations.

VI. The Economy: Work in the Global Village
   A. The global economy permeates our everyday lives, from the products we use, to the food we eat, to the clothes we wear, and increasingly, to the places we work.

VII. The Transformation of Economic Systems
   1. The economy is our system of producing and distributing goods and services. The economy today, impersonal and global, is radically different from how it was in the past.
   B. As societies developed, a surplus emerged that fostered social inequality.
      1. Earliest hunting and gathering societies had subsistence economies, characterized by little trade with other groups and a high degree of social equality.
      2. In pastoral and horticultural economies, people created more dependable food supplies. As groups settled down in one location and grew in size, a specialized division of labor developed. This led to the production of a surplus and trade between groups, all of which fostered social inequality.
      3. The invention of the plow paved way for agricultural societies. As more people were freed from food production, a more specialized division of labor developed and trade expanded. This brought even more social, political, and economic inequality.
   C. The surplus (and greater inequality) grew in industrial societies. As the surplus increased, emphasis changed from production of goods to consumption. Thorstein Veblen referred to this as conspicuous consumption.
   D. The “information explosion” and the global village are key elements of postindustrial society. According to Daniel Bell, postindustrial economies have six traits: (1) a large service sector that most work in; (2) a large surplus of goods; (3) extensive trade among nations; (4) a wide variety and amount of goods available to the average person; (5) an information explosion; and (6) a global village with instantaneous, worldwide communications.
   E. We may be on the verge of yet another new type of society.
      1. This new society is being ushered in by advances in biology, especially the deciphering of the human genome system.
      2. While the specifics are still unknown, the marriage of biology and economics will yield even greater surplus and greater trade.
      3. The new society may lead to longer and healthier lives.
   F. Whenever society changes, this has implications for our lives. It impacts the type of work that those who live in the society will do.
G. Around the globe, the consequences of the information explosion are uneven. Due to political and economic arrangements, some nations and individuals will prosper while others suffer.

VIII. World Economic Systems
A. Capitalism has three essential features: (1) the private ownership of the means of production; (2) market competition; and (3) the pursuit of profit.
   1. Pure (laissez-faire) capitalism exists only when market forces are able to operate without interference from the government.
   2. The United States today has welfare (or state) capitalism. Private citizens own the means of production and pursue profits but do so within a vast system of laws (market restraints) that are designed to protect the public welfare and ensure that the government can collect taxes.
B. Socialism also has three essential features: (1) the public ownership of the means of production; (2) central planning; and (3) the distribution of goods without a profit motive.
   1. Under socialism, the government owns the means of production, and a central committee determines what the country needs, instead of allowing market forces (supply and demand) to control production and prices. Socialism is designed to eliminate competition, to produce goods for the general welfare, and to distribute them according to people’s needs, not their ability to pay.
   2. Socialism does not exist in pure form. Although the ideology of socialism calls for resources to be distributed according to need rather than position, socialist nations found it necessary to offer higher salaries for some jobs in order to entice people to take greater responsibility.
   3. Some nations (e.g., Sweden and Denmark) have adopted democratic or welfare socialism: both the state and individuals engage in production and distribution, although the state owns certain industries (steel, mining, forestry, telephones, television stations, and airlines), while retail stores, farms, and most service industries remain in private hands.
C. Capitalism and socialism represent distinct ideologies.
   1. Capitalists believe that market forces should determine both products and prices, and that it is good for people to strive for profits.
   2. Socialists believe that profit is immoral and represents excess value extracted from workers.
   3. These two different ideologies produce contrasting pictures of how the world should be; consequently, each sees the other ideology as not only inherently evil but also as a system of exploitation.
D. The primary criticism of capitalism is that it leads to social inequality (a top layer of wealthy, powerful people, and a bottom layer of people who are unemployed or underemployed). Socialism has been criticized for not respecting individual rights, and for not being capable of producing much wealth (thus the greater equality of socialism actually amounts to almost everyone having an equal chance of being poor).
E. In recent years, fundamental changes have taken place in these two economic systems. Both systems have adopted features of the other.
1. That capitalism and socialism are growing similar is known as convergence theory.
2. In Russia and China the standard of living lagged far behind the West; both economies were plagued by the production of shoddy goods and shortages. In the 1980s and 1990s, both reinstated market forces—private ownership of property became legal and the state auctioned off many of its industries. Making a profit was encouraged.
3. Over the years, the United States has adopted many socialistic practices, such as unemployment compensation, subsidized housing, welfare, minimum wage, and Social Security.

IX. The Globalization of Capitalism
A. The globalization of capitalism may be the most significant economic change in the past 100 years.
B. The world is divided into three primary trading blocs: North and South America dominated by the United States, Europe dominated by Germany, and Asia dominated by China and Japan.
   1. Functionalists stress that this new global division benefits both the multinationals and the citizens of the world.
   2. Free trade leads to greater competition, which drives the search for greater productivity. This in turn lowers prices and raises the standard of living.
   3. Free trade can also be dysfunctional. When businesses move to countries where labor costs are lower, workers in the countries from which the businesses came will lose their jobs.
C. Since 1970, increases in workers’ paychecks have not kept up with inflation; consequently, workers are falling behind.
D. The transition to a postindustrial economy and the globalization of capitalism has increased our income inequalities
   1. Today’s economy poses difficult challenges for workers. High insecurity is rooted in job layoffs, plant closings and the prospect of more of the same.
   2. This insecurity is especially hard-hitting on less-skilled workers who live paycheck-to-paycheck.
   3. In contrast, the wealthy do just fine in challenging economic times—half of the entire country’s income goes to the richest fifth of Americans; only 3 percent goes to the poorest fifth.
   4. This gap has been growing over the years, and it is now greater than it has been in generations.
E. The leaders of the globe’s top multinational companies overlap to such a degree that they form a small circle, one that is called the global superclass, which is extremely wealthy and powerful.

X. A New World Order?
A. Today the embrace of capitalism and worldwide flow of information, capital, and goods has made national boundaries less meaningful. There are many examples of
nations working together to solve mutual problems, such as the North American Free Trade Agreement (NAFTA), the European Union (EU), and the United Nations (UN).

B. The United Nations is striving to be the legislative body of the world. It operates a World Court and has a rudimentary army.

C. The resurgence of fierce nationalism represents a challenge to a new world order.

D. If global political and economic unity does come about, it is still not clear what type of government will emerge. Under a benevolent government, there is tremendous potential for human welfare, but if a totalitarian government arises, the future could be bleak.

KEY TERMS
After studying the chapter, review the definition for each of the following terms.

anarchy: a condition of lawlessness or political disorder caused by the abuse or collapse of governmental authority (p. 326)

authority: power that people accept as right; also called legitimate power (p. 316)

capitalism: an economic system characterized by the private ownership of the means of production, market competition, and the pursuit of profit (p. 333)

charismatic authority: authority based on an individual’s outstanding traits, which attract followers (p. 317)

checks and balances: the separation of powers among the three branches of U.S. government—legislative, executive, and judicial—so that each is able to nullify the actions of the other two, thus preventing any single branch from dominating the government (p. 326)

citizenship: the concept that birth (and residence or naturalization) in a country imparts basic rights (p. 320)

city-state: an independent city whose power radiates outward, bringing the adjacent area under its rule (pp. 318-319)

coercion: power that people do not accept as just; also called illegitimate power (p. 316)

conspicuous consumption: Thorstein Veblen’s term for a change from the Protestant ethic to an eagerness to show off wealth by the elaborate consumption of goods (p. 332)

convergence theory: the view that as capitalist and socialist economic systems each adopt features of the other, a hybrid (or mixed) economic system will emerge (p. 337)

democratic socialism: a hybrid economic system in which both the state and individuals produce and distribute goods and services (p. 336)

democracy: a government whose authority comes from the people; the term, based on two Greek words, translates literally as “power to the people” (p. 320)

dictatorship: a form of government in which an individual has seized power and dictates his will to the people (p. 320)

direct democracy: a form of democracy in which the eligible voters meet together to discuss issues and make their decisions (p. 320)
economy: a system of producing and distributing goods and services (p. 331)

global superclass: a small group of highly interconnected individuals in which wealth and power are so concentrated that they make the world’s major decisions (p. 344)

laissez-faire capitalism: the government doesn’t interfere in the market (literally, “hands off” capitalism) (p. 333)

lobbyists: people who influence legislation on behalf of their clients (p. 325)

market forces: the law of supply and demand (p. 335)

monarchy: a form of government headed by a king or queen (p. 319)

oligarchy: a form of government in which a small group of individuals holds power (p. 320)

pluralism: the diffusion of power among many special-interest groups that prevents any single group from gaining control of the government (p. 326)

political action committee (PAC): an organization formed by one or more special-interest groups to solicit and spend funds for the purpose of influencing legislation (p. 325)

power elite: C. Wright Mills’ term for the top people in U.S. corporations, military, and politics who make the nation’s major decisions (p. 326)

rational-legal authority: authority based on law or written rules and regulations; also called bureaucratic authority (p. 317)

representative democracy: a form of democracy in which voters elect representatives to meet together to discuss issues and make decisions on their behalf (p. 320)

routinization of charisma: the transfer of authority from a charismatic leader to either a traditional or a rational-legal form of authority (p. 318)

ruling class: another term for the power elite (p. 327)

socialism: an economic system characterized by the public ownership of the means of production, central planning, and the distribution of goods without a profit motive (p. 335)

special-interest group: a group of people who support a particular issue and who can be mobilized for political action (p. 325)

state: a political entity that claims a monopoly on legitimate force or violence; commonly known as the government (p. 317)

subsistence economy: a type of economy in which human groups live off the land and have little or no surplus (p. 331)

terrorism: the use of violence or the threat of violence to produce fear in order to attain political objectives (p. 328)

totalitarianism: a form of government that exerts almost total control over people (p. 321)

traditional authority: authority based on custom (p. 317)

universal citizenship: the idea that everyone has the same basic rights by virtue of being born in a country (or by immigrating and becoming a naturalized citizen) (p. 320)
voter apathy: indifference and inaction on the part of individuals or groups with respect to the political process (p. 324)

war: armed conflict between nations or politically distinct groups (p. 327)

**KEY PEOPLE**

*Review the major theoretical contributions or findings of these people.*

**Daniel Bell:** Bell identified six characteristics of the postindustrial society. (p. 332)

**Peter Berger:** Berger argued that violence is the ultimate foundation of any political order. (p. 316)

**William Domhoff:** Like Mills, Domhoff saw that power resides in the hands of an elite, which he referred to as the ruling class. He focused on the top one percent of Americans who belong to the super rich. (p. 327)

**Karl Marx:** Marx was an outspoken critic of capitalism who wrote about the basis for profits under capitalism. (p. 336)

**C. Wright Mills:** Mills suggested that power resides in the hands of a power elite made up of the top leaders of the largest corporations, the most powerful generals and admirals of the armed forces, and certain elite politicians. (p. 326)

**Nicholas Timasheff:** Timasheff identified three essential conditions of societies going to war—an antagonistic situation in which two or more countries have incompatible objectives, a cultural tradition of war, and a “fuel” that heats the situation to a boiling point so the line is crossed from thinking about war to actually waging it. (p. 328)

**Thorstein Veblen:** Veblen created the term “conspicuous consumption” to refer to the eagerness to show off one’s wealth through the elaborate consumption of material goods. (p. 332)

**Max Weber:** Weber identified three different types of authority: traditional, rational-legal, and charismatic. (pp. 316-317)

**Discussion Topics to Encourage Student Participation**

- The opening vignette gives a brief discussion of George Orwell’s book, *1984*. The book is about a society’s transformation into a state of total government control over its citizenry—complete loyalty to the state by all citizens. The process begins with socialist policies that sound like they are helping the citizens. For example, what about a national health-care program, homeland security policies, or regulations over industry that govern wages and employee benefits? What happens in the long run is that the government grows until it controls all aspects of life from cradle to grave, from prenatal care and early childhood education teaching loyalty to the State, to social security and retirement benefits and dependency on the State. Of course, everything in between is taken care of as well. All are equal. There is no crime. Unfortunately, the trade-off for this utopia is the loss of freedom, the end of families, and the end of personal and intimate relationships. Ask students if they think the trade-off of love and freedom for equality and security is worth it. If not, how far should the citizenry allow the government to go in creating new policies and programs that
lead us in that direction before we also pledge our allegiance to the State at the cost of everything that we truly love and value in life? Do students think that 1984 could happen here? Has it already begun or, is the book just an interesting read?

- Noting how the state claims a monopoly on the legitimate use of violence, ask your students to think about and address the following: Does the state truly have a monopoly on the legitimate use of violence? Can you think of any groups who can legitimately use violence against citizens? Finally, what restraints, if any, must the state and its agents work under in their legitimate use of violence? How are these restraints enforced? And who punishes the state and/or its agents if these restraints are violated?

- To illustrate voter alienation and apathy in the United States, conduct a quick classroom survey of how many students can name at least one of their two United States senators. How about their congressional representative? State senator and/or representative? Chances are few hands will go up. Then ask your students to address the following: Of those of you who were eligible to vote in the last election, how many of you did so? If you did not vote, why not? If you voted, to what degree, if any, do you believe your vote really makes a difference? Why do you think that only half of all eligible voters in the United States vote in presidential elections and only one-third vote in congressional races? Finally, what can the American political system do to encourage voting and/or participation in the political process?

- Ask your students to think about the three groups that, according to C. Wright Mills, make up the power elite in the United States—the top corporate leaders, top military leaders, and top political leaders—and address the following: Do you agree with Mills’ contention that the most powerful of these groups is the nation’s top corporate leaders? If so, why? If not, which group or groups are more powerful? In which ways? Finally, can you think to include other groups in the United State that Mills did not include in the power elite? If so, which ones, and why?

- Thinking about the concept of conspicuous consumption, ask your students to discuss the following: In what ways do Americans practice conspicuous consumption? How much, if at all, do you think the amount and forms of conspicuous consumption vary by gender? By race-ethnicity? By class? By region? By age? What are some of the ways that you engage in acts of conspicuous consumption, and what are some of the social factors that encourage you to do so? Finally, who or what profits by your acts of conspicuous consumption, and how?

- Considering all the social inequality and poverty that exists in the United States, ask your students to discuss the following: Why can’t the United States government print up and distribute all the money it wants so everybody can be equally well off? What would happen if, tomorrow, the United States government printed and sent to every American a legal $100,000 bill? With that $100,000 bill, would poor Americans still be poor? If so, why? If not, why doesn’t the United States government simply print and distribute the money?

- Following up on the above questions, ask your students to address these related points: How might issuing more money to more people result in inflation? How might inflation, in turn,
result in personal hardship and/or economic instability? If a nation is forced to choose between an economic policy that results in high levels of inflation, unemployment, or social inequality, which of these would be most dysfunctional and/or harmful for society? Which of these would be least dysfunctional? Why?

- In 1964, President L.B. Johnson declared a war on poverty and established what are called “great society” policies. The goal was to bring an end to poverty. In the following 30 years, trillions of dollars were spent on socialist policies aimed at eliminating poverty with little, if any, success. In 1994, President Clinton reformed the welfare system in an effort to improve it. Years later, trillions more have been invested with little evidence that this program has been successful either. Given these outcomes, ask students if it makes sense to continue these programs. What kind of program do they think would be better? Have students come up with a plan that might combine socialist financial assistance policies with capitalism’s emphasis on individual responsibility.

- Thinking about convergence theory, ask your students to address the following questions: What are some examples of socialism converging with capitalism in the United States? As you see it, which areas of the American economy, if any, are most likely to converge with socialism in the future? Which current economic policies or programs in the United States, if any, would you identify as socialist? How do you feel about these policies or programs? Should they be expanded or curtailed? Why?

Classroom Activities and Student Projects

- Ask your students to keep a journal over the next two days noting all the “exercises of power” they come across. These can include, for example, a meter maid writing out a ticket, a bouncer throwing someone out of a bar, or a parent punishing a child. As they record each example, ask them to note the following: Who or what is exercising the power on whom? How is the power being exerted? Is the exertion of that power legitimate or illegitimate? If legitimate, on what authority? If illegitimate, circumventing what authority?

- After completing their journals, have your students list their examples on the blackboard. Then examining the examples, ask your students to think about and discuss the following: Can you discern any patterns in the examples that suggest which groups in America typically get to exert power and which groups in America typically have power exerted on them? Overall, would you characterize most of the examples as exercises of authority or coercion, and what might this say, if anything, about how much power in America is exercised legitimately versus illegitimately?

- Ask each of your students to present a short video clip of a charismatic leader in action (e.g., speaking to a large crowd, delivering a televised address, spearheading a big rally), followed up by a three-to-four minute oral presentation addressing the following points: What exceptional qualities make this particular leader a charismatic leader? What special techniques and/or tactics does this particular leader employ in the clip, if any, to fire up his or
her followers? What real or potential threats does this leader pose to the established order? What is it about the times in which this leader lives (or lived) that may be (or may have been) conducive to charismatic leadership? Finally, is this particular leader someone that you, yourself, could imagine believing in, being inspired by, and acting on behalf of? If so, why? Or why not?

- Have a formal class debate on the virtues of capitalism versus the virtues of socialism, inviting three students on each side to present their best arguments in favor of their preferred system. Allow time for rebuttal and counter-rebuttal, as well as for questions from audience members directed towards the debate participants. Afterward, have the members of the audience vote by secret ballot on two points: first, which side made the more convincing argument? Second, regardless of which side made the more convincing argument, which economic system would you prefer to live under: capitalism or socialism?

- Bring in the game of Monopoly and ask students about ways the game epitomizes capitalism (equal opportunity and investment). Then break your students into small groups and have them think about and discuss the following: Which changes would you have to make to the game of Monopoly to ensure that it adheres to the “rules” of welfare capitalism? After the discussion, assign each group the following task: devise a new game by changing the Monopoly game board and rules to turn it into the game of Socialism.

**Service Learning Projects and Field Trips**

- Conduct a mock election using state or national offices that are being contested. Develop a ballot that has only the most well-known offices listed. At the end of the ballot include a short demographics section that includes age, sex, race-ethnicity, marital status, employment status, and income. Have each student in the class distribute and collect five ballots. Using an appropriate database computer program, have a student record and then summarize the data. What generalizations can be made on the voting pattern of the chosen sample? Are these patterns similar to or different from the national trend? What are some of the drawbacks to this exercise that might skew the results?

- During the primary or general election, have students spend two or three hours at a local polling site as an observer. In advance, have them prepare a check-off sheet on which they can record the sex, race, and approximate age of the people who come to the polling place. Arrange the time of the observation to be at one of the times when people are more likely to vote, usually on the way to or from work. After the exercise is completed, have the student tally their results and compare them to the overall demographics of the precinct from which they were gathered. Then, make a comparison of the statistics collected to see if they are consistent with the actual voting results from that particular precinct.

- Organize a field trip to the state capitol or city hall that includes a tour of the building and face-to-face meetings with state legislators or city council members. Encourage your
students to be inquisitive, “grilling” the legislators or council members, for example, on what factors and/or players most influence legislation; how and where do political deals really get done; and what role do lobbyists, special-interest groups, and/or political action committees secretly play in determining which bills ultimately get hearings, or how sympathetically they are heard.

- Request a tour of a manufacturing plant in which the students can observe various stages of production and marketing. After doing so, ask the students how many of them would be interested in manufacturing work upon graduation and the reasons for either considering or not considering it.

- Divide the class into a number of small groups. Instruct each group to come up with a commonly-purchased product, such as gasoline, milk, toilet paper, or home heating oil. Have the members of each group survey at least ten different places that offer the product assigned to the committee, recording its price and any other pertinent information. How large a variation in price was there for each product? What explanations can be offered for the differences? Do the differences in price appear to have a difference in the number of people purchasing the product from any particular supplier?

- Give your students half an hour to walk around campus looking for and recording as many examples as they can find of conspicuous consumption. These can include clothes, jewelry, cars, cell phones, CD players, and any other “fancy” items or gadgets that people use to show off their wealth or, often, pretensions of wealth. Afterward, post your students’ examples on the blackboard and ask them to discuss the following: Looking over the examples, how many of these products are “truly necessary” and how many are superfluous? How expensive are these products? Were there cheaper versions available that, although less “showy,” could do the same thing? How dependent is the American economy on getting American consumers to buy products that they don’t really need? What accounts for this dependency? Finally, how are American consumers ideologically conditioned into buying things that they don’t really need, and who or what conditions them to do so?

**Suggested Films**


Neither left nor right wing, this startling examination of government exposes the systematic erosion of civil liberties in America since 1913 when the Federal Reserve System was created.


A critique of the overuse of advertising, slogans, personal attacks, and orchestrated appearances in American political campaigns.

This program discusses changes in work in America, particularly in large corporations.


This video examines the relationship between work and personal dignity.