

## **PART 4 ECONOMIC SYSTEMS INTRODUCTION**

The introduction to Part 4 discusses the basic elements of the economic system including types of exchange.

### **KEY DEFINITIONS**

The **economic system** refers to the provision of goods and services to meet biological and social wants.

**Production** refers to the process of rendering material items useful and available for human consumption.

**Allocation of resources** refers to the cultural rules people use to assign rights to ownership and use of resources.

**Technology** is the cultural knowledge for making and using tools and extracting and refining raw materials.

The **division of labor** refers to the rules that govern the assignment of jobs to people.

**Unit of production** defines the persons or groups responsible for producing goods and services.

**Distribution** is a strategy for apportioning goods and services among the members of a group.

**Market exchange** is the transfer of goods and services based on price, supply, and demand.

**Reciprocal exchange** is the transfer of goods services between two people or groups based on role obligation.

**Redistribution** refers to the transfer of goods and services between a central collecting source and a group of individuals.

**Subsistence economies** are those that meet the local material necessities and social obligations; they depend largely on the nonmarket mechanisms, reciprocity, and redistribution to motivate production and exchange.

**Market economies** are associated with larger economies; drive production and consumption through market factors of price, supply, and demand; and are characterized by high economic specialization and impersonality.

**Neo-liberalism** is a redistribution economic philosophy in capitalist countries that emphasizes the free movement of goods, capital, and services, with cuts to public expenditure for social services.

### **PART 4 QUESTIONS**

### True or False?

- T 1. A good example of reciprocal exchange in American society is gift giving at birthdays.
- F 2. Division of labor refers to the person or organized group responsible for producing something.
- F 3. When people buy and sell goods and services on the basis of price, supply, and demand, we call the process redistributive exchange.
- T 4. Market exchange is associated with many larger societies where people must be able to procure a wide variety of goods and services from strangers.
- F 5. Because they are based on role obligations, taxes are an example of reciprocal exchange.
- T 6. The economic system defines the provision of goods and services to meet human biological and social wants.
- F 7. Technology refers only to the machines people use to make things.

### Multiple Choice

- 1. The provision of goods and services to meet biological and social wants is called
  - a. production.
  - b. the economic system.
  - c. market exchange.
  - d. the unit of production.Correct Answer: b
- 2. One would expect to find the least job specialization in a
  - a. hunting and gathering society.
  - b. horticultural society.
  - c. industrial society.
  - d. pastoral society.Correct Answer: a
- 3. The cultural knowledge for making and using tools and extracting and refining raw materials is called
  - a. production.
  - b. division of labor.
  - c. unit of production.
  - d. technology.Correct Answer: d
- 4. Some acts of reciprocal gift giving may not always be benevolent, as in the case of
  - a. swapping.
  - b. authors' citations in academic works.
  - c. potlatching.
  - d. scientific contributions.

Correct Answer: c

5. An economic philosophy that emphasizes the free movement of goods, capital, and services, with cuts to public expenditures for social services is called
- a. redistribution.
  - b. neo-liberalism.
  - c. subsistence.
  - d. allocation of resources.

Correct Answer: b

6. Gift giving among family members at Christmas is an example of
- a. barter.
  - b. market exchange.
  - c. reciprocal exchange.
  - d. redistributive exchange.

Correct answer: c

7. Taxes would best be classified as a form of
- a. redistributive exchange.
  - b. allocation of resources.
  - c. market exchange.
  - d. reciprocal exchange.

Correct answer: a

## Article 12 *Reciprocity and the Power of Giving* LEE CRONK

### ARTICLE 12 QUESTIONS

#### True or False?

- T 1. According to Cronk in his article, “Reciprocity and the Power of Giving,” gift giving can be used to intimidate people.
- F 2. In “Reciprocity and the Power of Giving,” Cronk argues that in most instances of gift giving, donors expect those who have received the gift to reciprocate promptly.
- T 3. Both the Turkana and the Mukogodo peoples of Kenya diminished gifts given to them by anthropologists as a way of diminishing any reciprocation they might feel was expected of them.
- T 4. In “Reciprocity and the Power of Giving,” Cronk cites Hagstrom’s argument that citations of other people’s work in academic articles as well as the articles themselves, are a form of gift.
- F 5. According to Cronk in “Reciprocity and the Power of Giving,” the phrase “Indian giver” arose because North American Indians misunderstood European customs and wanted gifts they gave to colonists to be returned promptly and with interest.
- F 6. In “Reciprocity and the Power of Giving,” Cronk reports that no matter how little he gave his Mukogodo informants while he was doing fieldwork, they always seemed grateful, which led to a warmer, more trusting relationship demonstrating the positive power of giving.
- T 7. In “Reciprocity and the Power of Giving,” Cronk argues that gift giving is an important way for people to initiate and maintain relationships in every society.

#### Multiple Choice

- 1. According to Cronk in “Reciprocity and the Power of Giving,” the Kwakiutl *potlatch* is a good example of a way to
  - a. maintain equal social relationships between different clan members.
  - b. fight or flatten social rivals.
  - c. establish alliances between competing political factions.
  - d. create future material wealth for the giver.

Correct Answer: b

2. In “Reciprocity and the Power of Giving,” Cronk, citing work by sociologist Warren Hagstrom, argues that \_\_\_\_\_ represent gifts in a system of reciprocal exchange.
- a. citations in academic articles
  - b. business lunches
  - c. alcoholic drinks
  - d. blankets, coppers, and arm shells
- Correct Answer: a
3. In “Reciprocity and the Power of Giving,” Cronk notes that three of the following are good examples of reciprocal gift giving. Which one is **not**?
- a. shoes bought at a local mall
  - b. concessions made between U.S. and Russian negotiators during peace negotiations a few years ago
  - c. shell necklaces and arm bands traded in ritual fashion in the Trobriand Island exchange system called the *kula*
  - d. “swapping” reported by Carol Stack by African Americans living in a place in Illinois called the flats
- Correct Answer: a
4. In “Reciprocity and the Power of Giving,” Cronk, reporting on a study by Grace Goodell, notes that monetary support of an irrigation project by the \_\_\_\_\_ served to \_\_\_\_\_ in Iran.
- a. U.S., support local level political organizations
  - b. World Bank, support local level political organizations
  - c. U.S., crush local level political organizations
  - d. World Bank, crush local-level political organizations
- Correct Answer: d
5. According to Cronk in “Reciprocity and the Power of Giving,” the Mount Hagen tribes of New Guinea use a gift giving system called “moka” to gain prestige and
- a. guarantee security.
  - b. establish new relationships.
  - c. build trust.
  - d. shame rivals.
- Correct Answer: d

**Article 13 *Poverty at Work: Office Employment and the Crack Alternative***  
**PHILIPPE BOURGOIS**

**ARTICLE 13 QUESTIONS**

**True or False?**

- F 1. According to Bourgois in the article “Poverty at Work: Office Work and the Crack Alternative,” second generation Puerto Rican residents living in Spanish Harlem began to sell crack cocaine because they could find no other work in New York City.
- F 2. In “Poverty at Work: Office Work and the Crack Alternative,” Bourgois claims that only 15 percent of second generation Puerto Ricans living in New York’s Spanish Harlem have ever held a job in the formal economy.
- T 3. In “Poverty at Work: Office Work and the Crack Alternative,” Bourgois notes that many Puerto Rican men living in Spanish Harlem have at one time or another held normal (not underground) jobs in New York City’s service economy.
- F 4. According to Bourgois in “Poverty at Work: Office Work and the Crack Alternative,” the New York underground economy in which many Puerto Rican men work largely consists of dirty sweatshop manufacturing jobs.
- T 5. In “Poverty at Work: Office Work and the Crack Alternative,” Bourgois argues that Puerto Rican men feel degraded and disrespected in the entry-level service jobs found in New York’s office-bound economy.
- F 6. In “Poverty at Work: Office Work and the Crack Alternative,” Bourgois notes in an addendum to his article that prosperity in the 1990s increased the number of Puerto Rican men who sold crack as the price of the drug escalated.

**Multiple Choice**

1. In “Poverty at Work: Office Work and the Crack Alternative,” Bourgois argues that the most important reason that second generation Puerto Rican men living in Spanish Harlem find it unpleasant to work in New York City’s professional offices is
- the work pays too little.
  - they feel they are treated with disrespect.
  - they can’t get to work because they are too poor to own cars.
  - they speak no English.

Correct Answer: b

2. According to Bourgois in “Poverty at Work: Office Work and the Crack Alternative,” second generation Puerto Rican men failed at entry-level service sector jobs because
- they were discriminated against by Anglo supervisors.
  - they tried to unionize their places of employment.
  - most dealt drugs at their workplace.
  - the way they looked and walked often frightened middle-class Anglos on the job.
- Correct Answer: d
3. According to Bourgois in “Poverty at Work: Office Work and the Crack Alternative,” East Harlem men and women view their neighbors who manage to follow the “white woman’s rules” during the day and street culture at night as
- proud of their cultural heritage.
  - people to aspire to be like.
  - ashamed of who they truly are.
  - admirable.
- Correct Answer: c
4. According to Bourgois in “Poverty at Work: Office Work and the Crack Alternative,” the New York City economy
- has lost tens of thousands of jobs since 1963.
  - is dominated by manufacturing jobs requiring unskilled labor.
  - has the same number of jobs that it did in 1963 but more of these are located in offices.
  - has gained more jobs in the service sector.
- Correct Answer: c
5. According to Bourgois in “Poverty at Work: Office Work and the Crack Alternative,” the unionized jobs associated with manufacturing in New York
- provided life-time security for Puerto Rican workers.
  - were difficult for Puerto Ricans to get because they were foreigners.
  - permitted some rebellious behavior.
  - required more education than non-unionized jobs.
- Correct Answer: c
6. According to Bourgois in “Poverty at Work: Office Work and the Crack Alternative,” as reported in the 1990 census,
- 78.4 percent of the women living in New York’s Spanish Harlem received public assistance.
  - 48.3 percent of men living in Spanish Harlem were “officially employed.”
  - more than half the Puerto Rican men living in Spanish Harlem sell crack cocaine.
  - 42.4 percent of Puerto Rican men living in Spanish Harlem have fathered children with women to whom they are not married.
- Correct Answer: b

7. According to Bourgois in “Poverty at Work: Office Work and the Crack Alternative,” his informant, Primo,
- a. never held a job in New York’s office environment.
  - b. left a job in a service company office primarily because of the low pay it offered.
  - c. had to quit his job because of repetitive stress syndrome.
  - d. failed at his office job because he could not alter his street identity and mimic professional office culture.

Correct Answer: d

## Article 14 *Women in the Mine*

JESSICA SMITH ROLSTON

### ARTICLE 14 QUESTIONS

#### True or False?

- F 1. Women represent between 25 and 50 percent of the total employees working in Wyoming's Power River Basin coal mines.
- T 2. In the coal mining industry overall, women represent from 6 to 8 percent of the workers.
- F 3. Gender divisions in the Powder River Basin coal mines are very rigid and make it difficult for women to work alongside men productively.
- T 4. Some of the women interviewed at the Power River Basin felt that their physical size gave them an advantage over their male counterparts.
- T 5. In the social universe of the mine, the term 'lady' generally has a negative connotation.
- F 6. Men and women are judged equally for their sexual aggressiveness on the job. There is no double standard in Wyoming's Powder River Basin.
- F 7. To be successful as a female coal miner, one must choose an identity—tomboy, lady, or girly girl—and never stray from that identity.

#### Multiple Choice

- 1. The first phase of the coal mining reclamation process is
  - a. blasting the large horizontal seam of coal in the ground.
  - b. removing and storing the delicate layer of topsoil.
  - c. picking up, moving, and dropping the overburden into an already excavated mine.
  - d. removing the coal from the ground with draglines, shovels, and haul trucks.Correct Answer: c
- 2. Women who work in the coal mines in the Powder River Basin
  - a. typically only hold positions in administration and management.
  - b. operate all of the heavy equipment used to extract the coal.
  - c. work in all departments except as frontline supervisors in charge of crews.
  - d. work mostly as mechanics.Correct Answer: b
- 3. Rank in the coal pits correlates to
  - a. a worker's gender.
  - b. an individual's age.
  - c. number of years working in the mine.
  - d. hierarchy of the machines used to expose the coal.Correct Answer: d

4. Melissa, one of the subjects of Jessica Smith Rolston's essay "Women in the Mine," identifies herself as a

- a. tomboy.
- b. bitch.
- c. lady.
- d. girly girl.

Correct Answer: a

5. One of the more successful gender identities in a coal mine is the tomboy, defined as a women who

- a. departs very far from the conventional notions of femininity and acts in a more masculine manner.
- b. purposely emphasizes her femininity at the expense of forming friendships with guys.
- c. departs from the conventional notions of femininity, does not mind getting dirty, and does not get worked up about things.
- d. strictly adheres to societally accepted gender roles.

Correct Answer: c

6. A key way for women in the mines to build workplace relationships with their male coworkers is to

- a. cultivate a very professional demeanor.
- b. swear excessively and in the most vulgar manner.
- c. come to work with well manicured nails and nice makeup.
- d. engage in practical jokes.

Correct Answer: d

7. Of the many stereotypical personas active in the coal mining industry, \_\_\_\_\_ comprise only a minority of the workforce.

- a. ultra macho men
- b. bitches
- c. ladies
- d. tomboys

Correct Answer: a

**ARTICLE 15 QUESTIONS****True or False?**

- F 1. According to Patten in the article “Malawi Versus the World Bank,” the World Bank and the International Monetary Fund sought to loan Malawi money in the 1980s until recently because the people there were no longer able to meet their daily need for food.
- F 2. In “Malawi Versus the World Bank,” Patten claims that the goal of the World Bank and IMF is to lend poor countries money in order to build more efficient government agencies concerned with health and the control of HIV/AIDS.
- T 3. In “Malawi Versus the World Bank,” Patten notes that the goal of the World Bank and IMF is to loan poor countries money to help them institute capitalism and to bring them into the global economy.
- F 4. According to Patten in “Malawi Versus the World Bank,” the effect of the World Bank on Malawi was to drive people off their land and into cities where they could work in newly established businesses.
- T 5. In “Malawi Versus the World Bank,” Patten argues that 95 percent of the Malawian population lives on small farms 1 to 4 acres in size.
- T 6. In “Malawi Versus the World Bank,” Patten notes that the World Bank and the IMF required Malawi to quit subsidizing fertilizer.
- F 7. According to Patten in “Malawi Versus the World Bank,” the Malawian farmers responded to their inability to grow enough food by seeking work in the country’s cities.

**Multiple Choice**

1. In “Malawi Versus the World Bank,” Patten notes that the World Bank and International Monetary Fund, along with approval of the U.S. Treasury, adopted a “Washington Consensus” designed to \_\_\_\_\_ in poor countries.
- underwrite better health programs
  - institute capitalism
  - help subsistence farmers increase their crop yields
  - strengthen democratic governments
- Correct Answer: b
2. According to Patten in “Malawi Versus the World Bank,” the “Washington Consensus” required countries that borrowed money from the World Bank and IMF to
- privatize state-owned enterprises.
  - increase spending on health and education.
  - limit their trade with foreign markets.
  - use public monies to subsidize commodities.
- Correct Answer: a

3. According to Patten in “Malawi Versus the World Bank,” the main crop of subsistence farmers in Malawi is
- a. cassava.
  - b. wheat.
  - c. sorghum.
  - d. maize.
- Correct Answer: d
4. According to Patten in “Malawi Versus the World Bank,” officials of the World Bank thought that \_\_\_\_\_ were the reason why Malawi experienced a balance of payments problem in the 1980s.
- a. government corruption
  - b. lack of a manufacturing sector in the economy
  - c. fertilizer subsidies
  - d. military expenditures
- Correct Answer: c
5. According to Patten in “Malawi Versus the World Bank,” the effect of the World Bank loans on the people of Malawi was to
- a. stimulate the growth of tourism and local manufacturing.
  - b. raise agricultural production.
  - c. lower the amount of maize produced.
  - d. increase the individual wealth of the farmers of Malawi.
- Correct Answer: c
6. According to Patten in “Malawi Versus the World Bank,” Malawians responded to the lower maize yields that occurred when fertilizer was no longer subsidized by
- a. skipping meals.
  - b. eating *nsima* three times a day.
  - c. using a government voucher to purchase food.
  - d. emigrating to other African countries.
- Correct Answer: a
7. According to Patten in “Malawi Versus the World Bank,” when the president of Malawi reinstituted the subsidized fertilizer program the
- a. IMF withdrew its financial assistance from Malawi.
  - b. World Bank changed its policy concerning government subsidies.
  - c. U.S. wholeheartedly supported his actions.
  - d. maize yields grew substantially enough for Malawi to begin exporting again.
- Correct Answer: d