

Chapter 12

Economics & Politics

* Economy

- the social institution that organizes a society's production, distribution, and consumption of goods & services
- goods - things, commodities
- services - activities that people need or want

* History of Economy

- Agriculture Revolution - tools to farm & grow food, specialized work, permanent settlements, trade, ^{by} tech.
- Industrial Revolution - new source of energy, manufacturing, central work location, specialization, & wage labor
- Information Revolution - productive systems based on service work & high technology, more service jobs
- shifts from tangible products to ideas
- mechanical skills to literary skills
- shift from factory to anywhere

* Sectors of the Economy

- primary - part of econ that draws raw materials from environment
- secondary - raw materials are transformed to manufactured goods
- tertiary - services

* The Global Economy

- economic a