

# Political and Economic Systems



# What is a government?

- Government is an institution that.....
  - Maintains social order
  - Provides public services
  - Ensures national security
  - Supports economic well-being.

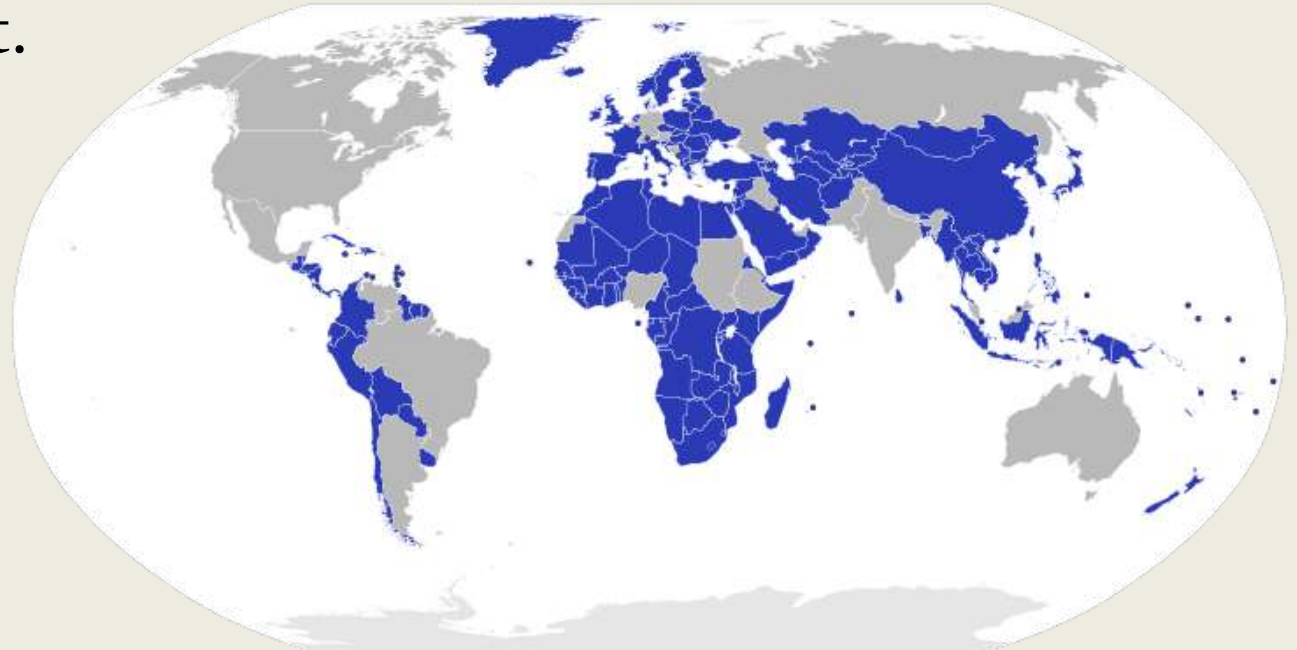


# Levels of Government

- How is power divided?
  1. Unitary System
  1. Federal System
  1. Confederation

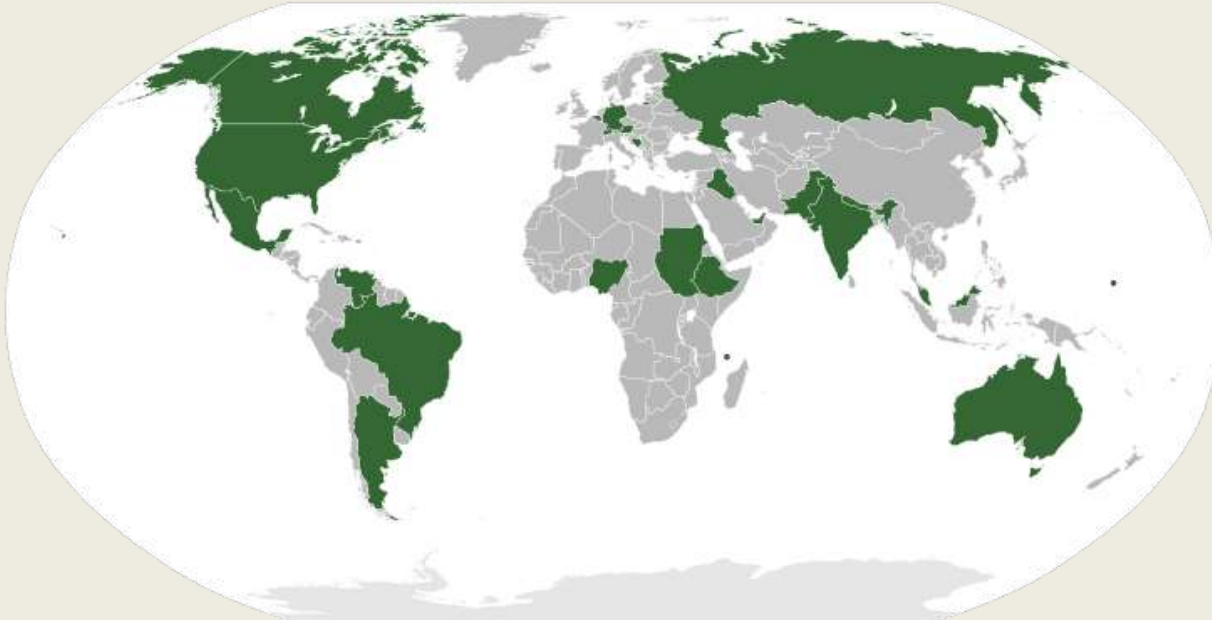
# Unitary System

- A system where all key powers are given to the national or central government.



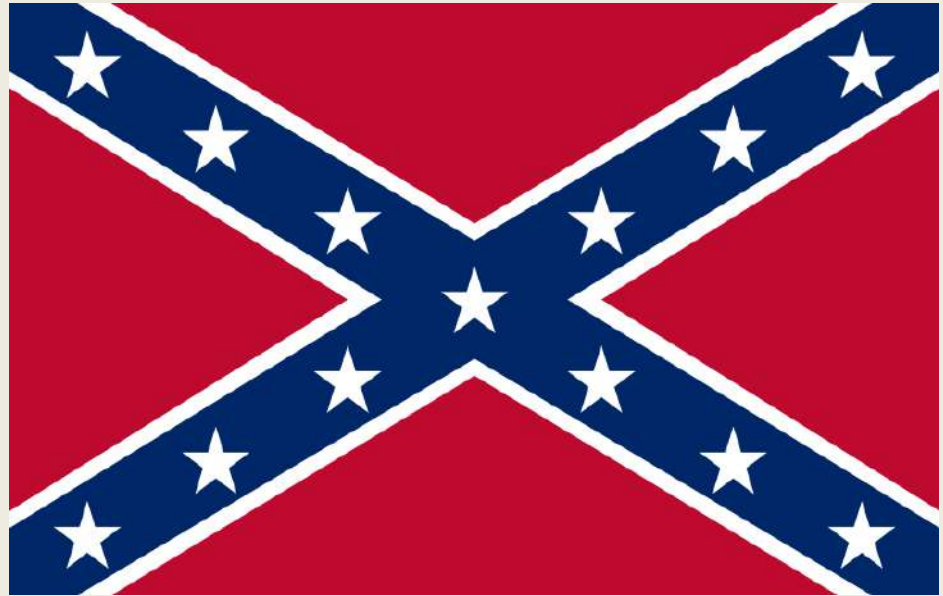
# Federal Government

- A system in which powers are divided between the central and state governments.



# Confederation

- A system in which the states have more power than the Central government.



# Types of Government

- Who is in charge of the government?



1. Autocracy
1. Oligarchy
1. Democracy

# 1. Autocracy

Auto	Krator
Self	Rule

- A government in which a single person possesses power and authority.
- There are 2 major forms:
  - a) Totalitarian Dictatorship
  - b) Absolute Monarchy





# a.) Totalitarian Dictatorship



- Dictator controls ALL aspects of social and economic life.
- Usually come to power through a revolution.
- Example:  
Adolf Hitler as dictator of Nazi Germany from 1933-1945.

## b.) Absolute Monarchy

- King or Queen hold the supreme powers.
- Usually inherit the throne.
- Example:  
King Abdullah of Saudi Arabia



# Constitutional Monarchy

- These countries have a King or Queen but they do not have absolute power.
- Some share power w/ a legislature (Japan)
- Others are ceremonial positions. (England)



## 2. Oligarchy

Oligos	archo
Few	Rule



- A small group of people rule.
- They may be distinguished by wealth, religion, social position, or military power.
- Example: Ancient Sparta

# 3. Democracy

Demos	Kratia
People	Rule

- Form of government where leaders rule w/ consent of the people.
- The major forms are.....
  - a) Direct Democracy
  - b) Representative Democracy



# a.) Direct Democracy



- Form of government where ALL people are in control.
- Very difficult to achieve successfully.
- Example: Ancient Athens

# b.) Representative Democracy

- Form of government where people elect representatives to stand up for them.
- Example: The United States



# Economic Systems



1. What and how many goods are being produced?
2. How should they be produced?
3. Who gets the goods and services?



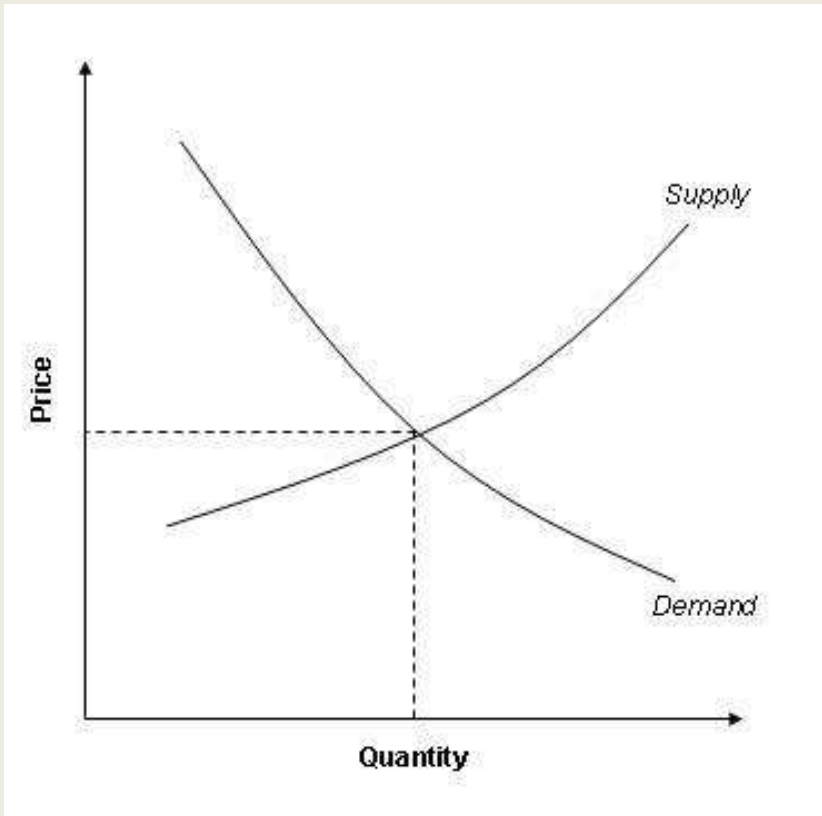
# 1. Traditional Economy

- A system in which tradition and custom control all economic activity.
- Exists in only a few parts in the world today.
- Example: Inuit Tribes of Northern Canada



# 2. Market Economy

- Based on free enterprise, in which businesses are privately owned.
- Production and prices are determined by supply and demand.



# 3. Command Economy

- System in which economic decisions about production and distribution are made by the central government.
- Known as socialism or communism, depending on level of govt. involvement.

