

4.2 ECONOMIC ORGANIZATION

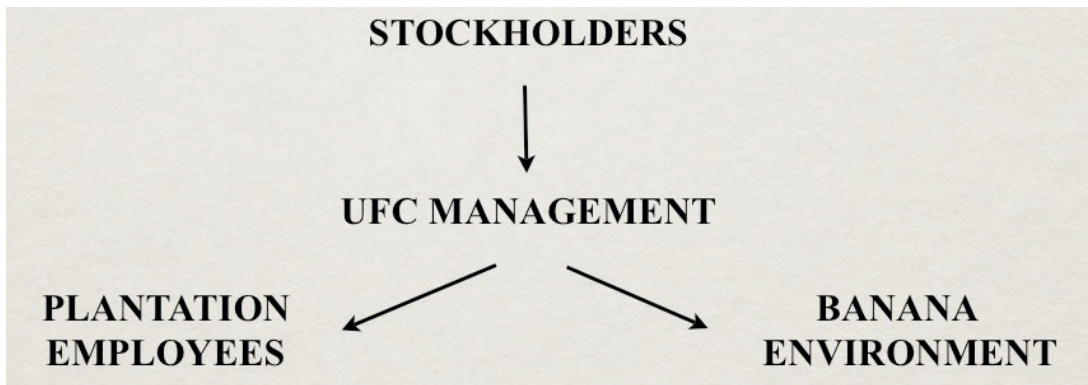
A. INTRODUCTION

Definition: *“Economics deals with material goods and human property and with the labor associated with producing, distributing, and maintaining them.”*

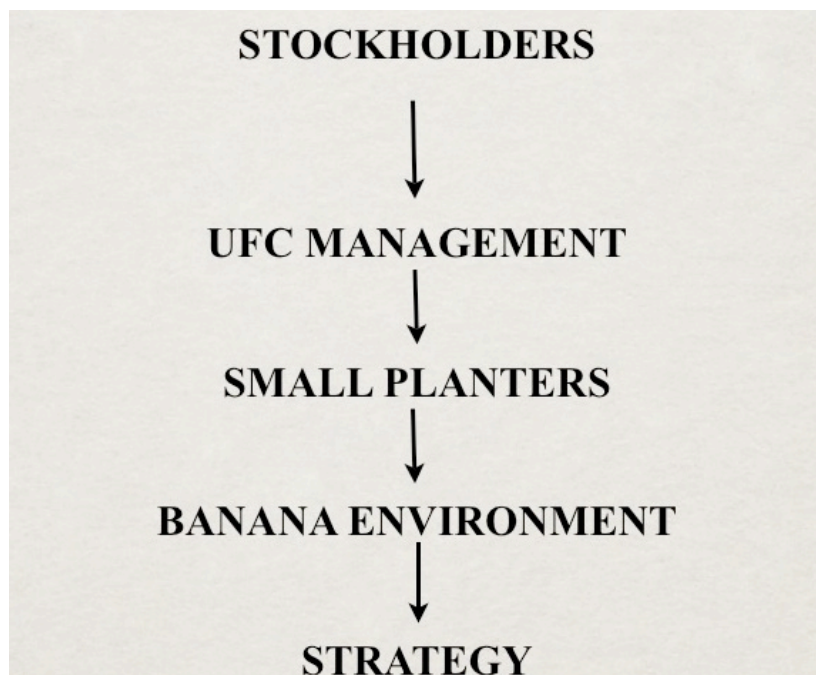
B. CASE STUDY: United Fruit Company, Costa Rica

1. History

2. Structure



3. Strategy



C. ECONOMIC SYSTEMS

Three Components:

First, all cultures have some form of science.

Second, all cultures have some form of technology.

third, economic organization involves social relationships.

1. Property:

Definition: “Things for which certain individuals or groups have socially-recognized rights to limit the use.”

a. Material or non-material

b. Socially defined

2. Systems of distribution (Karl Polanyi)

a. Reciprocity (Gift Exchange)

(1) Obtaining good normally unavailable

(2) Filling Social Functions (Kula Ring)

(3) Leveling uneven distribution of property

b. Redistribution

(1) Goods and services are gathered and redistributed (no money) (Jajman)

(2) Political power is centralized with a surplus of goods and control of production.

(3) Symbols differentiate classes.

C. MARKET This system is built on goods and services which are exchanged on the basis of negotiations that depend on the economic value of the goods being sold or traded. The crucial difference between

the first two systems (reciprocity and redistribution) and market exchange is that the primary objective of the first two is the building of social relationships, with obligations that are attached. In market exchange, the economic value is foremost, and the social values only incidental.

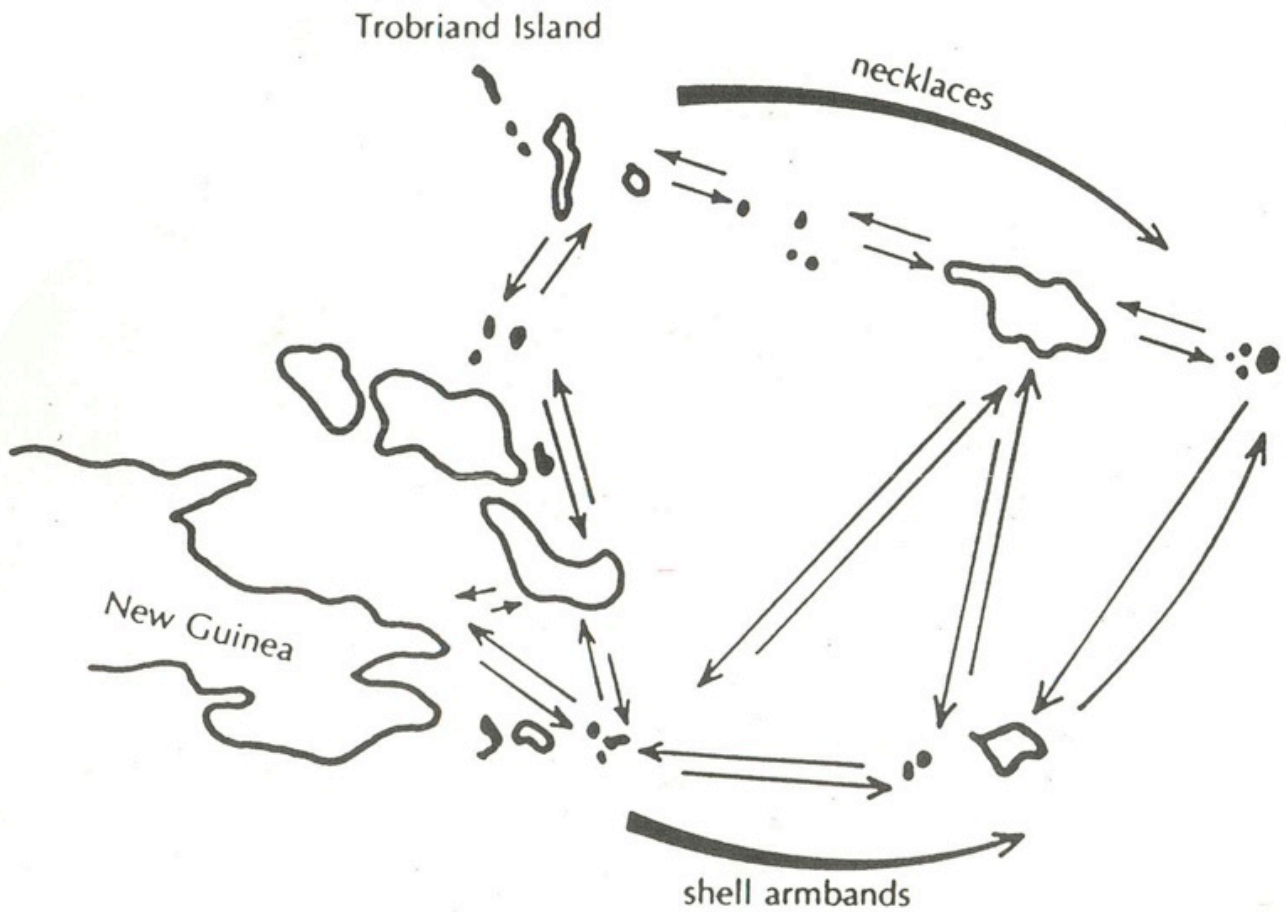


Figure 15.1 The ritual exchange of necklaces and armbands provided security in hostile territories, thereby facilitating economic trade.

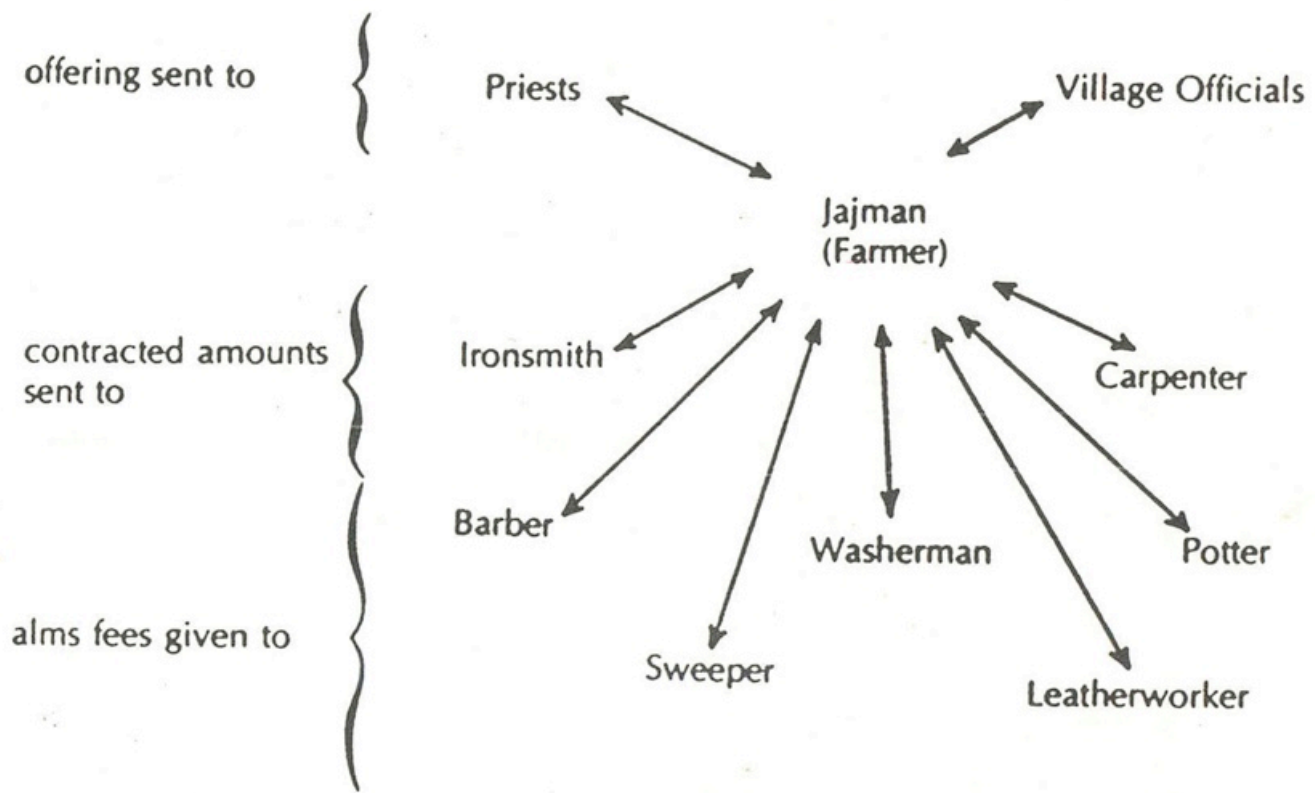


Figure 15.2 Hereditary relationships link the Indian jajman to his family priests and clients. They help him produce the crop and in turn share in its bounty or scarcity.