

Table 1

The Political Economy Approach, the Major Components and Concepts of Social Systems Analysis and Three Social Systems: Capitalism, Etatism and Social Democracy

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The ultimate problem of production is the production of human beings. To this end the production of goods is intermediate and auxiliary. It is by this standard that the present system stands condemned. ...Machinery and technological improvement are means, but again are not the end...the means have to be implemented by a social-economic system that establishes and uses the means for the production of free human beings associated with one another on terms of equality. John Dewey

The Political Economy Approach has 3-Tasks	The Moral Society's Opening Assertion	Capitalism/Private Collectivization (hierarchical values)¹	Etatism/State Collectivization (hierarchical values)	Social Democracy (participatory values)²
Critique Alternative Praxis	Each person is able to become all that she/he is capable of being. This has the effective content that the individual self-realizes within community	Unconstrained Liberty Inequality Competition	Constrained Liberty Inequality Forced Fraternity	Morally Constrained Liberty (see col.2) Equality Cooperation (community mindfulness)
3-D Analysis	The Moral Imperative or Constraint	Evaluation of Capitalism	Evaluation of Etatism	Evaluation of Social Democracy
Horizontal/Competition Vertical/Hierarchy Depth/Real Time	Self Realization without doing injustice to others and this implies	Immoral Inefficient Unfair Undemocratic	Immoral Inefficient Unfair Undemocratic	Moral Efficient Fair Democratic
3-Evaluative Criterion	3-Goals	3-Results	3-Results	3-Results
Efficiency (Technical & Social) Fairness Democracy	Entitlements Obligations Empowerment	Private Monopoly Instability Alienation <i>There is no free market; responsibility gap; Gross Domestic Cost</i>	State Monopoly Instability Alienation	Social Ownership Stability Socialized Involvement

¹ See: Charles A Reich, *Opposing the System*, (New York: Crown Publishers, Inc., 1995. Glasbeek, Harry. *Wealth by Stealth: Corporate Crime, Corporate Law, and the Perversion of Democracy*. (Toronto: Between the Lines, 2002).

² Perhaps the best source is (and will remain): Bernard Crick, *Socialist Values and Time*, Fabian Tract No. 495, (London: The Fabian Society, March 1984). Crick provides an insightful look into the theory and practice of democratic socialism and, as well, liberalism and conservatism and an appreciation of capitalism and etatism (state collectivization). Crick cites Orwell's review of Hayek's *Road to Serfdom*: "*Capitalism leads to dole queues, the scramble for markets and war. Collectivization leads to concentration camps, leader worship and war. There is no way out, unless a planned economy can somehow be combined with freedom of the intellect ...*" SVT, 4.