1. The market model  
   a. Origins  
   b. The market approach from the sociological perspective  
      i. Laws of supply and demand that you’d learn about in economics and that we will not discuss in detail here.  
      ii. Key idea, that all social action is reduced to individual choices  
         1. Resources are limited and individuals  
            a. Must deal with resources being scarce  
            b. Must choose among alternatives that have different costs and benefits attached  
            c. Must accept the consequences of bad choices just as they benefit from good choices  
            d. Costs and incentives are key factors in human services choices people make  
   2. Action that is utilitarian or rationally self interested  
   3. A dramatic departure from sociological thinkers like Durkheim who see groups and communities as the basic unit  
   4. Markets depend on underlying shared values like belief in contracts norms of behavior in the market  
   iii. Big gain, that no government or centralized elite plans or directs action; an undirected interactive system (the market) makes good outcomes happen  
      1. The world in which services are provided and resources are secured is so complex that no one could direct it; a system of mutual accommodation makes it work efficiently.  
      2. From the conservative perspective, problems arise when government interferes with the free operation of the market  
   c. Inequality is unavoidable and basically desirable  
      i. We need inequality to create incentives and costs for action  
         1. Investment and personal preparation (human capital)  
         2. Risk taking  
         3. Reward for following the rules and working hard  
            a. Queuing model  
            b. Bad outcomes when labor markets fail  
            c. Underground economies  
         4. Punishment for poor choices  
         5. Punishment for anti-social choices  
      ii. A main problem is that inequality creates instability  
         1. Merton’s *anomie* theory of delinquency  
         2. Parsons and school achievement as a justification for inequality  
         3. Cultural and community institutions create willingness to work hard and wait for opportunities