

# How Culture and Stakeholders Affect Economic Decisions

## Introduction

Economic decisions are not made alone. They are shaped by **society (sociocultural factors)** and by **groups with power and money (political-economic stakeholders)**.

---

## Sociocultural Factors (Society's Influence)

These are the things in society that affect how people think, spend, and work:

- **Class:** Rich people buy luxury items; poor people focus on needs.
  - **Gender:** Men and women may face different job chances and spend differently.
  - **Ethnicity:** Cultural background affects buying choices and job opportunities.
  - **Age:** Needs change with age (young = education, old = retirement).
  - **Education:** More education = better jobs and smarter money choices.
  - **Beliefs & Values:** Some people buy eco-friendly or ethical products.
  - **Media:** Ads and news shape what people want to buy.
- 

## Political-Economic Stakeholders (Groups with Power)

These are people or organizations that influence money and policies:

- **Government:** Makes rules about business and money.
- **Businesses (Firms):** Want profits; can change prices and jobs.
- **Labor Unions:** Protect workers' pay and rights.

- **Consumer Groups:** Defend buyers' interests.
  - **Banks & Financial Institutions:** Control lending, saving, and investing.
  - **NGOs & Nonprofits:** Push for causes like environment or equality.
  - **Lobby Groups & Think Tanks:** Try to shape laws and policies.
  - **Media:** Spread ideas about the economy.
  - **Universities & Experts:** Research and give advice.
  - **International Organizations:** (e.g., World Bank) guide global money issues.
- 

## Why It Matters

- **Society (culture, class, values)** affects how people spend and save.
  - **Stakeholders (government, businesses, unions, etc.)** affect laws, jobs, and opportunities.
  - Both forces shape **every economic decision** we make.
- 

## Conclusion:

To understand the economy, we must look at **people's culture and values** and at the **powerful groups that influence money decisions**.