

S o c i o l o g y

Class and Karl Marx

Quantum 03

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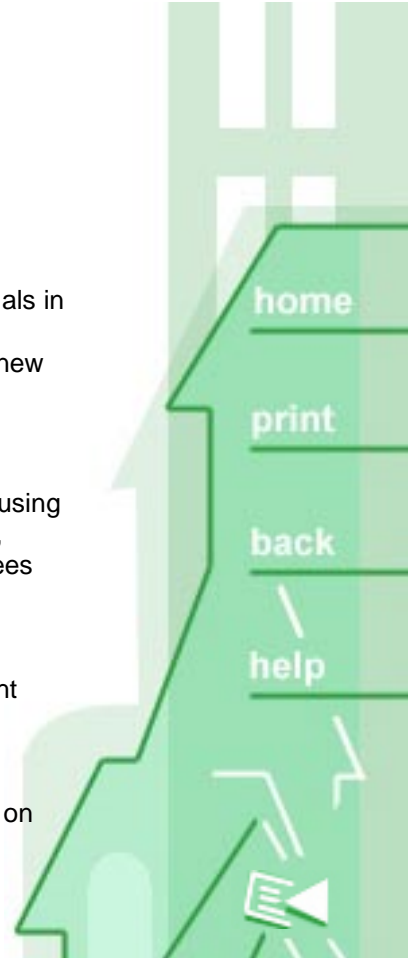
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Objectives

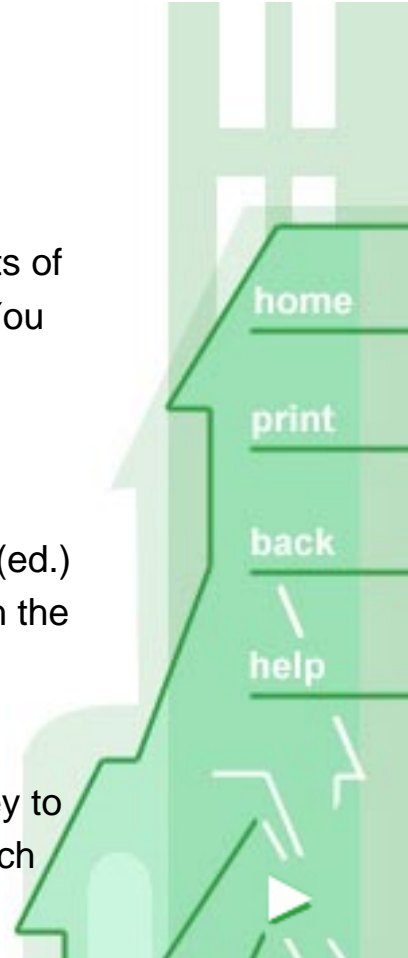
By the end of this quantum you will be able explain the key elements of the theories of Marx and identify their strengths and weaknesses. You will also be able to assess evidence of change in Modern Britain in terms of these theories.

PRE-REQUISITES

Use the appropriate sections of your textbook, HARALAMBOS, M. (ed.) *Sociology – Themes and Perspectives* (4th Edition) to help you with the activities.

WELCOME

Karl Marx considered that ownership of land or factories was the key to status and power. Whoever owns these, controls the means by which other people earn a living, and therefore has power over them.



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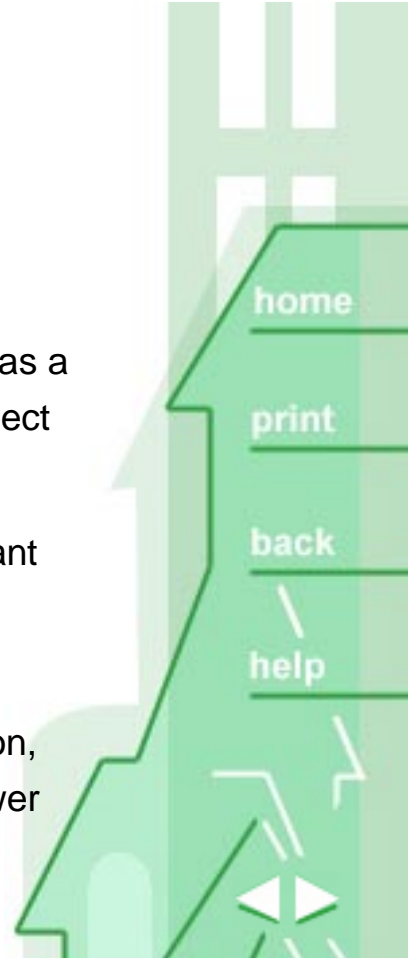
MARX'S IDEAS IN CONTEXT

(1818–1883)

Because of the importance of wealth owners' assets to the country as a whole, they can ensure that laws are passed which will work to protect and enrich themselves, and control their workers.

Status is mainly a way of creating a common identity for the dominant group by excluding others.

Most importantly, they can influence the ideas which dominate the thinking of the mass of people. So, from Marx's point of view, religion, and other belief systems, operate in a way which maintains the power and wealth of the dominant group, or class.

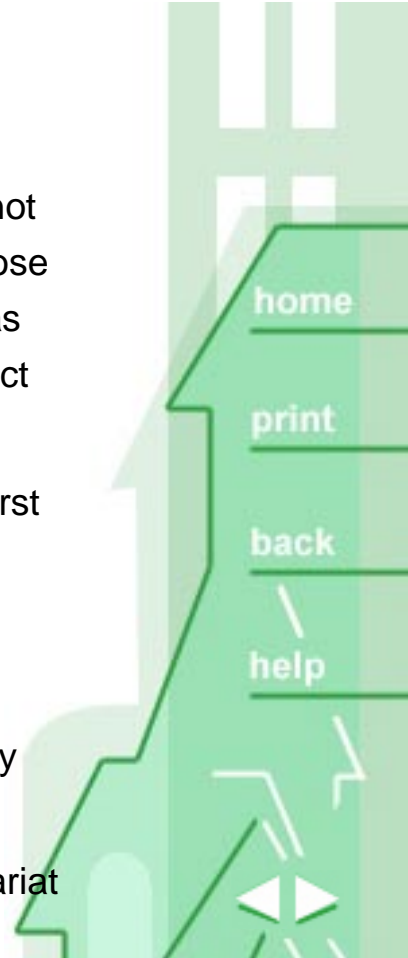


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He didn't suggest that this was deliberately done – the wealthy do not manufacture religions to suit themselves – rather they emphasize those elements which suit themselves, and ignore the difficult bits (such as giving all you have to the poor). This process is intensified by the fact that the church has been part of the wealth-owning class itself.

Marx envisaged a series of historical stages, each, apart from the first and the last, dominated by a powerful group:

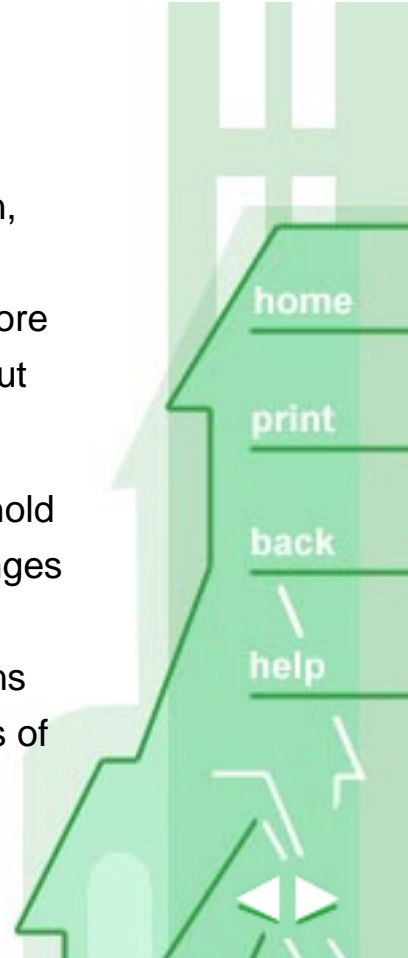
- primitive communism
- slavery: slave owners
- feudalism: land-owners (aristocracy)
- communism
- pre-industrial capitalism: merchant traders
- industrial capitalism: factory owners (bourgeoisie)
- industrial socialism: proletariat



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The dominant group in each stage, owning the means of production, lives off the surplus produced by workers. The relations between owners and workers must always be one of exploitation, and therefore of potential or actual conflict. Workers are paid enough to live on, but the real value of their work passes to the employer.

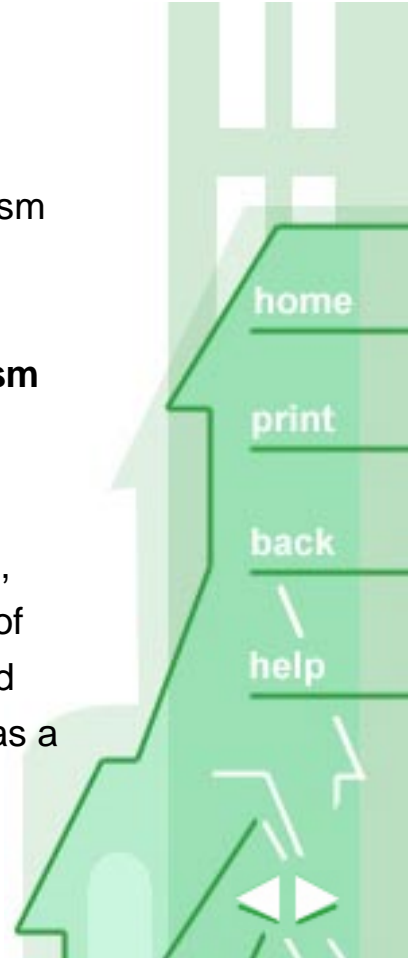
Exploitation is maintained by force and by belief systems which uphold the power of the dominant group. But technological and social changes lead to fundamental economic change. This sets up tensions which break out into various kinds of conflict. The new economic conditions eventually create new patterns of social relationships, new methods of government, and new ideas, such as new religions.



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Marx was interested mainly in the development of industrial capitalism and its eventual replacement by industrial socialism, followed by communism. He used Britain's development as the model for his analysis. He believed that the **contradictions inherent in capitalism** would lead to conflict which would eventually destroy it, leading to industrial socialism.

However, he was writing before Britain was even fully industrialised, and history has not yet fulfilled his expectations. Even so, the core of his analysis is still relevant: recent developments have strengthened the analysis, whilst demonstrating that the dynamic of capitalism was a lot more resilient than he imagined.



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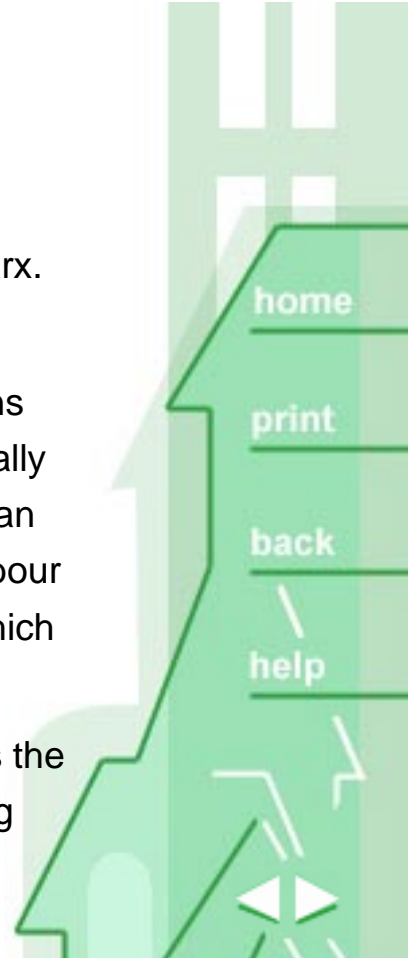
Activity 1

Try to find out some information about the life and works of Karl Marx.

CLASS AS A RELATION OF PRODUCTION

Marx's theory was based on the idea that, under capitalism, relations between the major classes – owners and workers – are fundamentally **antagonistic**. Employers own the **means of production**, which in an industrial society are factories and machinery. Workers sell their labour to the employers. Machinery and labour together produce things which have value.

The employer does not produce these things, but because he owns the goods that are produced, he can pocket the profit from them, having paid the worker enough to live on, **but not the full value of the goods they produce**.

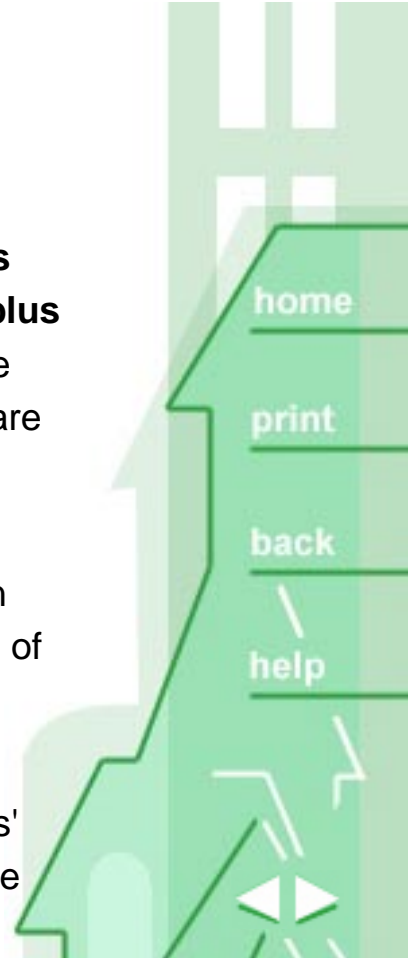


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Marx called the difference between the **value** of the goods that a worker produces, and the pay received for producing them, **surplus value**. He argued that the employer **expropriates** (steals) this **surplus value**, and is therefore **exploiting** the worker. Workers have to take the wages offered because they have only their labour to sell, and are in a weaker position than the employer.

Employers are not necessarily evil in the exploitation of the worker. They are forced to keep wages low because they are in competition with other employers. Owning machinery carries with it the problem of **depreciation** (loss of value as it gets older).

The pressure to stay competitive and keep prices down forces employers to cut costs, of which the greatest element is the workers' wages. To help cut labour costs, the employer will also try to replace workers with machinery.

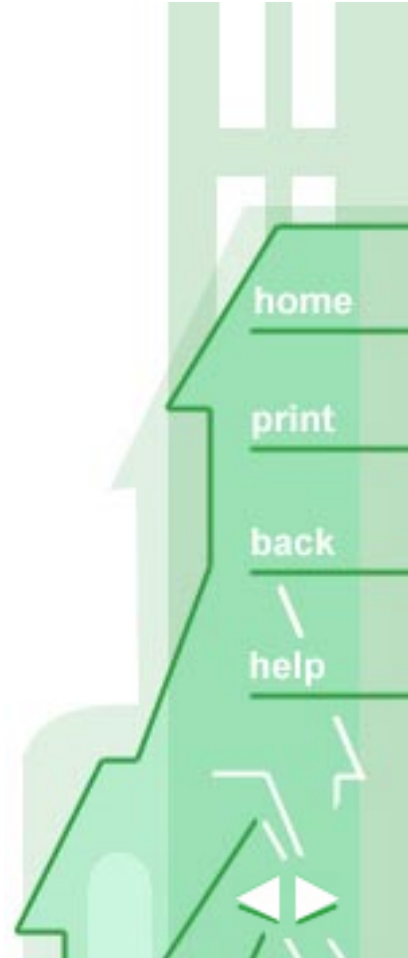


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Employers who cannot cut costs sufficiently will go bankrupt, leading to unemployment. The larger firms will buy up the smaller ones. Competition will thus paradoxically lead to monopolies by very large firms, which will have enormous power to set prices, including the price of labour.

Activity 2

Look at the paragraphs on the following screen which were written in 1998. The Conservative Government privatised electricity production in Britain, splitting it up into different regions to increase competition.



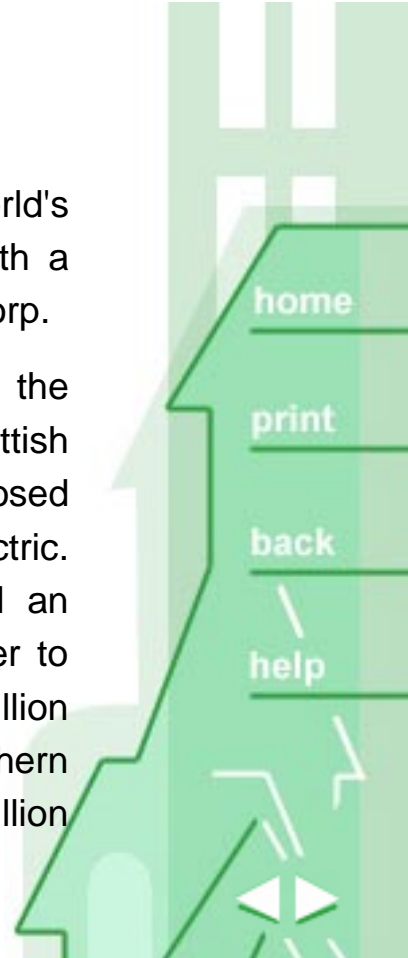
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The invasion of the United States by British energy companies took another leap forward yesterday when National Grid unveiled a \$3.2 billion (£1.9 billion) bid for New England's biggest electricity utility, NEES, and said further US takeovers were possible.

The move by the operator of the English and Welsh electricity transmission networks comes days after Scottish Power became the first non-US

company to enter the world's biggest electricity market with a \$7 billion deal to buy PacifiCorp.

- The news came as the Government cleared Scottish Hydro-Electric's proposed merger with Southern Electric. The two companies agreed an all-share deal last September to create a group worth £5 billion called Scottish and Southern Energy. It serves 3.3 million customers.



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What does this news suggest about the way competition works?



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From current newspapers, find other examples of businesses which have bought up their competitors, and are now operating a monopoly, or near monopoly.



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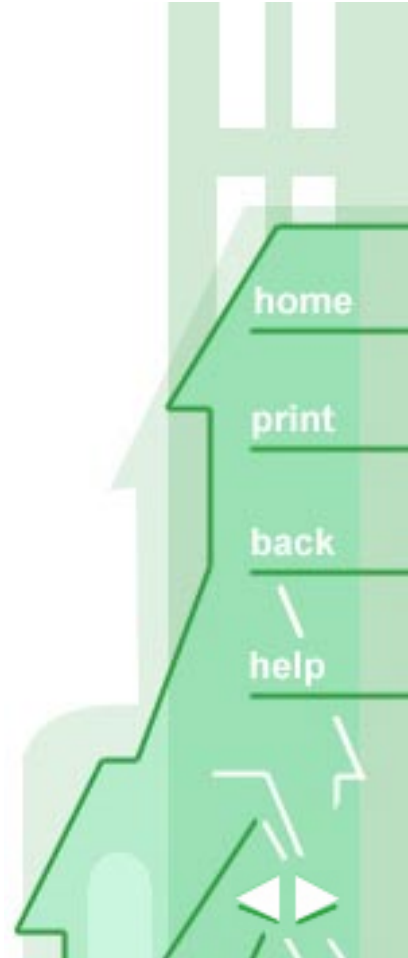
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The pressure to make greater and greater profits to combat increasing capital costs leads to expansion of markets overseas: the nineteenth century was a time when European countries vied with each other to create colonies and empires, to provide a supply of raw materials and a captive market for the goods produced in factories at home.

Wars, great and small, help to reduce surplus production and raise demand and profits. These pressures are inevitable, given the working of the markets.

Explain in your own words what each of the following economic terms mean.

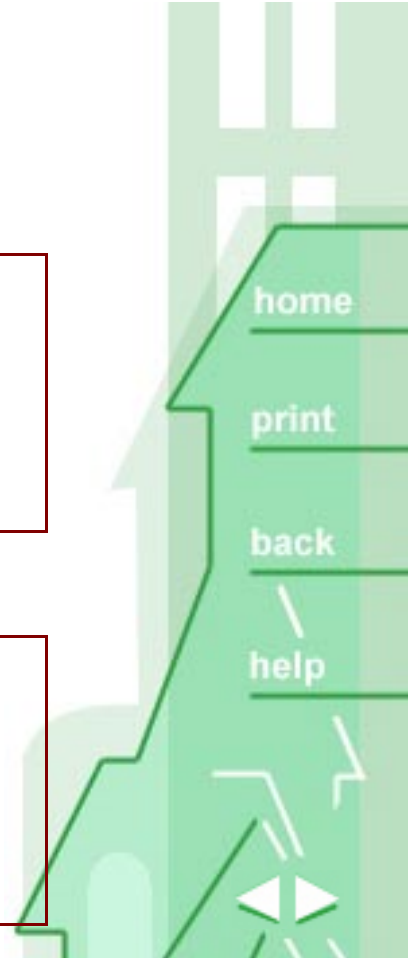


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Labour costs



Raw materials

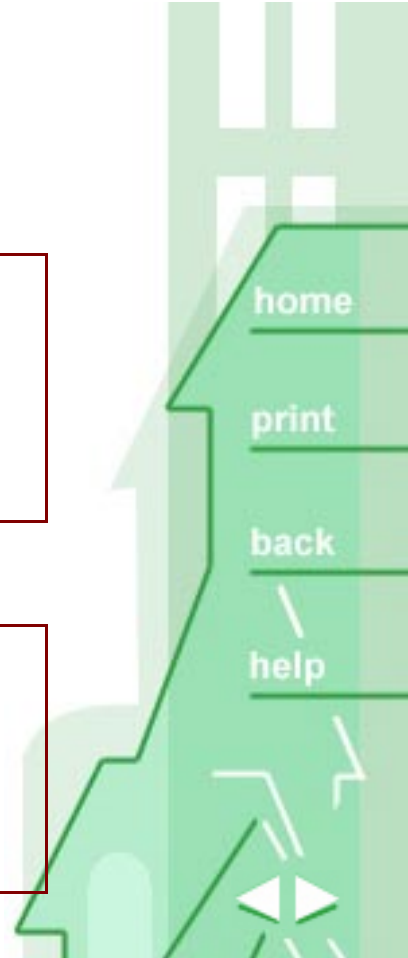


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Capital costs



Surplus value

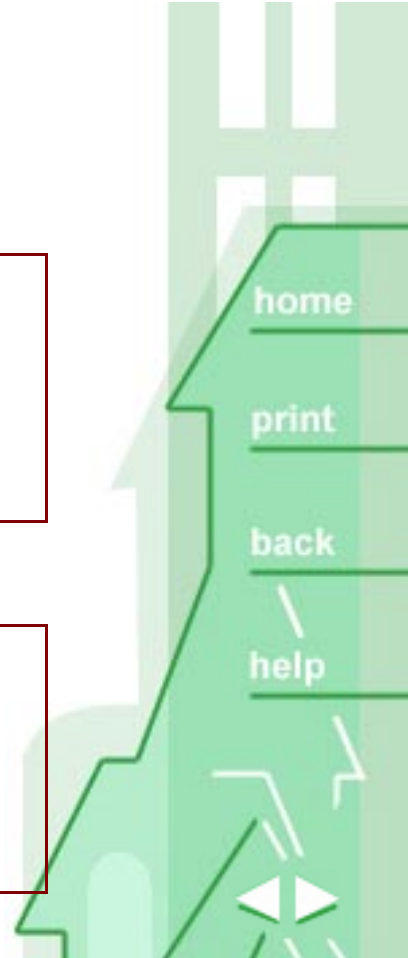


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Depreciation



Monopoly



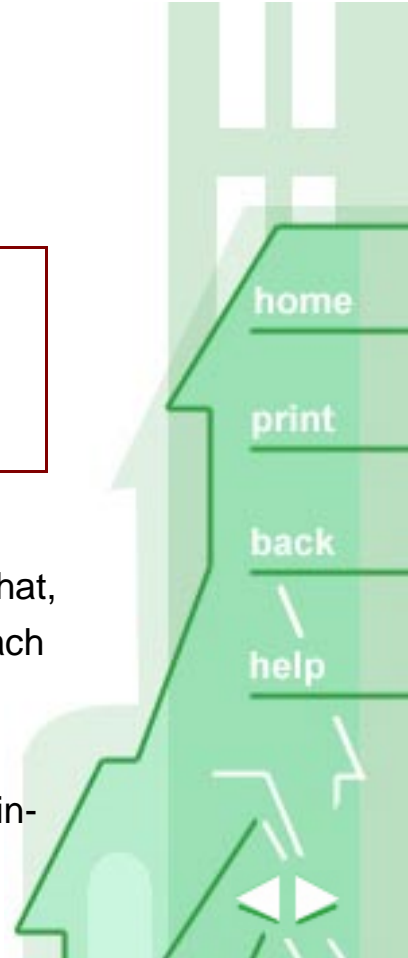
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Expropriation



RESISTANCE OF WORKERS

Capitalism, according to Marx, is full of contradictions. He thought that, as factories got larger, so workers would be more in contact with each other, and by realising the exploitation they were suffering, and banding together in unions, they would develop power to force changes. The development of class consciousness turns the class-in-itself (the proletariat) into a class-for-itself, ready to act as a united force.



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Also, there would be a tendency for other class groupings to sink into the working class. White collar workers, artisans and the self employed would be **pauperised**: forced out of business, lose their livelihoods, and have to take manual jobs in factories. Such people, being better educated, would realise what was happening, and would provide the leadership and the motivation for resistance.

The conflict of interests which lies at the heart of the capitalist system would come to the surface, first of all in strikes within an industry. Later, strikes might spread to related industries, as workers became more organised. Workers would found a political party which would carry the fight for rights for workers into Parliament. Eventually, they would realise that 'Democracy' is a sham, and that the only way to bring about effective social change is by revolution.



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CLASS AND POWER

Ownership of the means of production does not just bring wealth – it confers **power**. There is power in the workplace, as employers can hire and fire. There is also power in the wider social context, as employers are respectable and wealthy on whom the prosperity of the nation is seen to rest.

They are educated, and have powerful contacts. If they do not enter parliament themselves, they may have family connections who do.

In the law-making process, their interests come a long way before those of workers, who in Marx's day, were not even allowed to vote. (He did not consider women as workers to any great extent.)

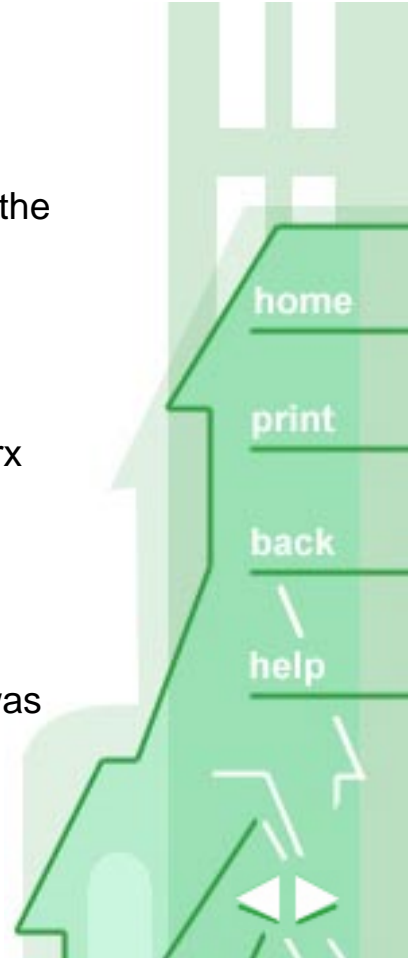


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Power not only makes sure that laws are passed in the interests of the owners, but also involves the dominance of the point of view of that class.

Their ideas are the ones debated in Parliament, not those of the workers; their ideas form the basis of what is taught in schools. Marx argued that many people in the working class accept these ideas without question, against their own interests.

The result is an **ideology**: a set of ideas which justifies the unfair nature of society, which may lead to false class consciousness. It was the job of activists to raise political awareness and to develop true class consciousness.

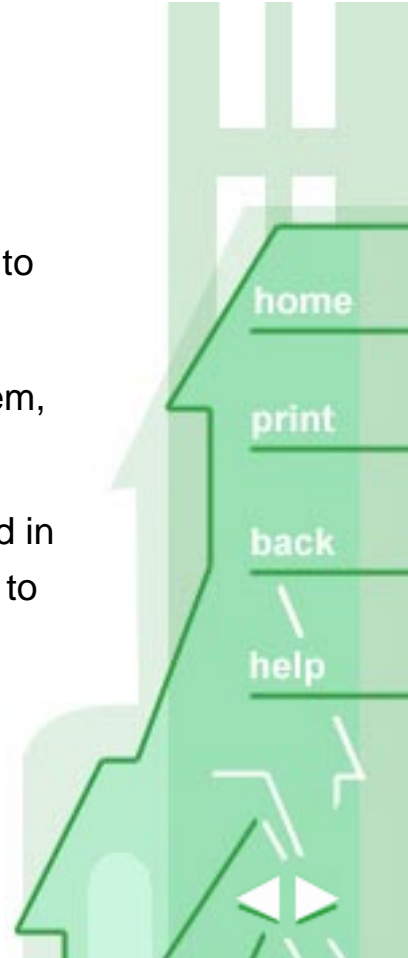


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Marx thought that class positions were determined by the mode of production. Classes can be objectively defined by their relationship to the main method of producing goods in a society.

Classes have a reality outside of the individuals which compose them, therefore individual mobility is not important.

Classes are not arranged in a hierarchy, but can only be understood in terms of their function in an economic system and their relationship to other classes.



Class and Karl Marx

COMPARING THE THEORY WITH PRESENT DAY LIVING

When you look at modern class structures, you need to ask, has Marx's theory anything to contribute to understanding what is happening today?

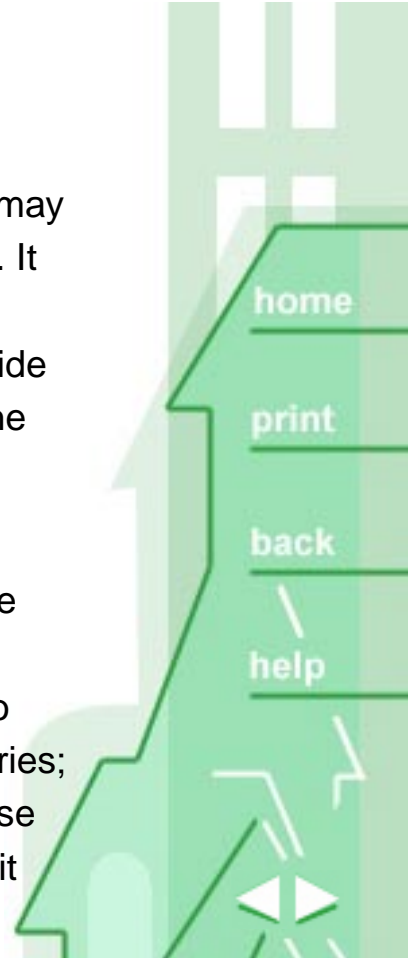
- 1 Many things have changed. In Marx's day it was easy to identify 'owners' and their relationship to the 'workers'. An entrepreneur typically ran their own factory(ies) and took the profits for their own use. Nowadays, ownership of enterprises tends to be shared out (stocks and shares) among many people, including many ordinary workers, either directly, or through pension funds and insurance companies. The power of hire and fire is delegated to managers, who are paid salaries, and are therefore employees themselves.



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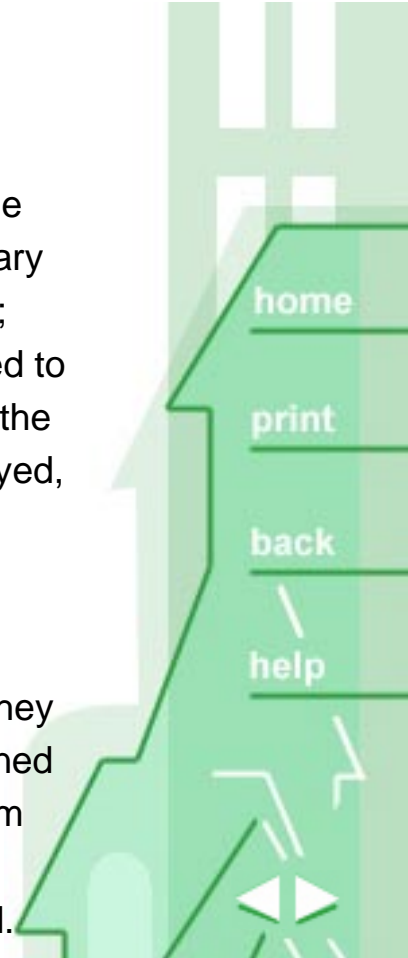
Enquire amongst friends and family as to who owns shares. It may be in the privatised national commodities such as water or gas. It may be through a unit trust, or a pension scheme. It may be through a building society. What benefits do these shares provide for their owners? Do they entitle them to vote in the affairs of the organisation?

- 2 Another problem with the theory is that large sections of the workforce are not employed by private organisations, but by the state, thus ultimately by the tax-payer: (for example, teachers, nurses, cleaners, civil servants). The workers in these areas do not see their lot as very different from workers in private industries; indeed, the wages of state employees are often lower than those employed in private industry. Where exactly does exploitation fit into that situation?



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- 3 Workers are now represented in Parliament, and a considerable body of legislation has been passed to improve the lot of ordinary people. Unions are now legal; there are health and safety laws; there are laws controlling working conditions and who is allowed to work. Above all, there is the Welfare State, taking money from the relatively well-off by taxation, and distributing it to the unemployed, the low-paid, the sick, the elderly. Surely these improvements suggest that power does not solely reside with the owners of industry?
- 4 Then, most people in work are so much more affluent today. They own cars, have holidays abroad, own videos, etc. What happened to pauperisation? The school system allows clever children from the working class to take their places with those controlling the nation. The dawn of the classless society has been announced.

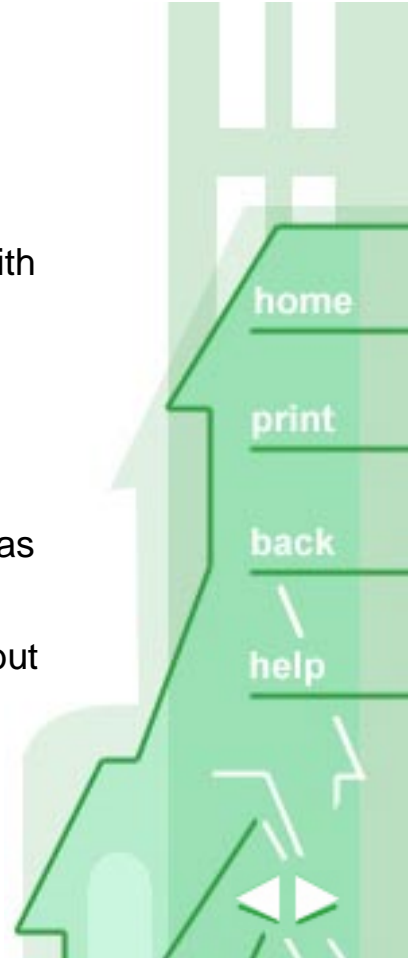


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- 5 The revolution did not happen in this country, and in those countries where it did, there has been a return to capitalism (with the exception of Cuba). Surely Marxism is as dead as a dodo!

Activity 3

From the list of changes pick out three examples where the trend has gone backward in recent years. For example, the growth of mass unemployment has meant that many people are not affluent at all, but struggling to survive.



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EVIDENCE FOR THE CONTINUED USEFULNESS OF MARX'S THEORY

It is when you start looking at the small group of wealthy people in this country that you start to suspect that Marx may still be relevant today. It is not just ownership of wealth that matters, but wealth that is concentrated in ownership of firms, or of stocks and shares, conferring power in the economic sphere.

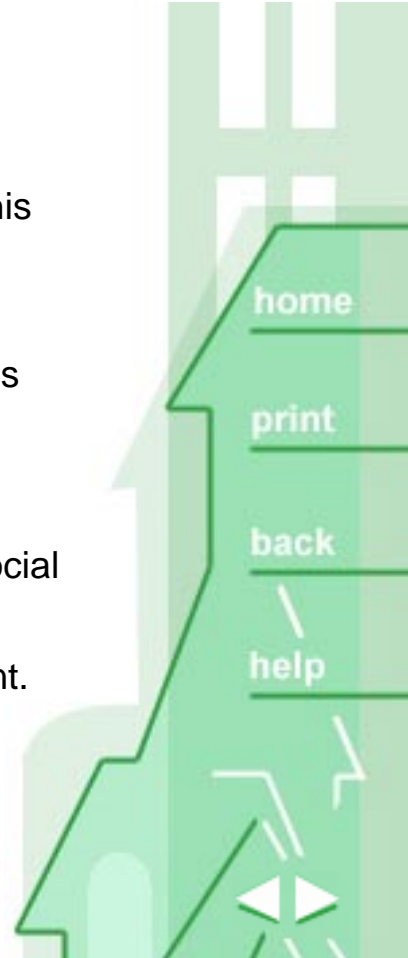
Members of this group of wealthy people tend to be interrelated by marriage; connected by friendship ties formed in the independent school sector or at the most prestigious universities. They are connected also by interlocking directorships of companies, they are disproportionately represented in parliament and the most powerful positions in the land.



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There is evidence that 'social closure' operates to restrict entry to this group from below, that their views are heavily influential in political decision making. The media also reflects the views of this group, through advertising, and the fact that newspaper owners themselves are part of the group.

If you consider the considerable amount of power wielded by this 'class', then many of the reforms of this century, and the belief in social mobility, start to look like window dressing – just another part of the ideology which keeps the mass of the population reasonably content.



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Activity 4

Turn to pages 57-62 in Sociology: Themes and Perspectives, M Haralambos (4th Edition), and answer the following questions.

- 1 Look at the table on page 59. What trends can you identify from that table?



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- 2 What evidence is there, according to Westergaard and Resler, that capital is still concentrated in very few hands?



- 3 Why do they reject the idea of 'separation of ownership and control'?

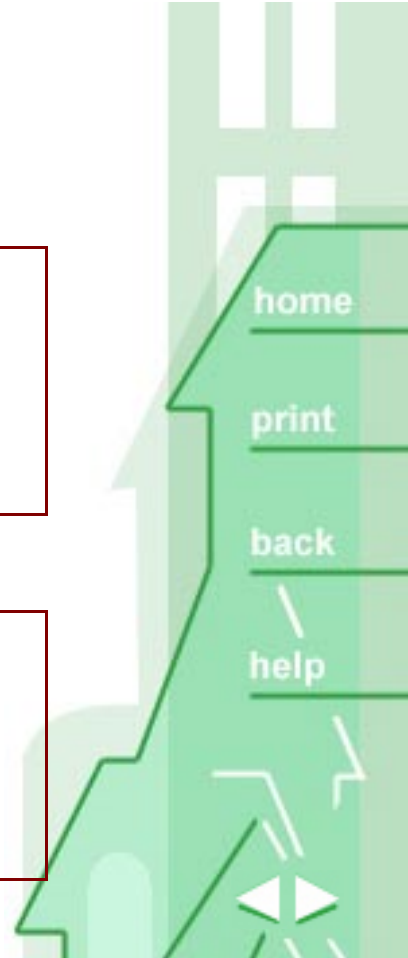


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4 What is the 'business class' identified by John Scott?



5 What is the position of managers, according to Scott?

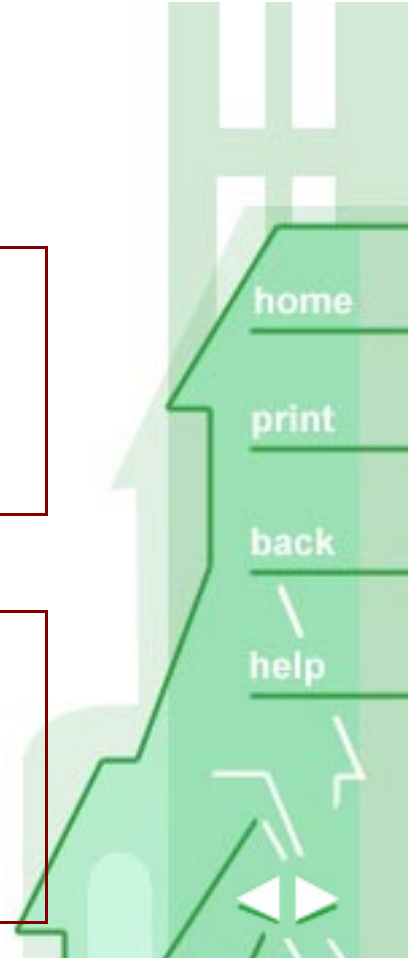


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6 What is meant by 'interlocking directorships'?



7 What is the significance of this network?



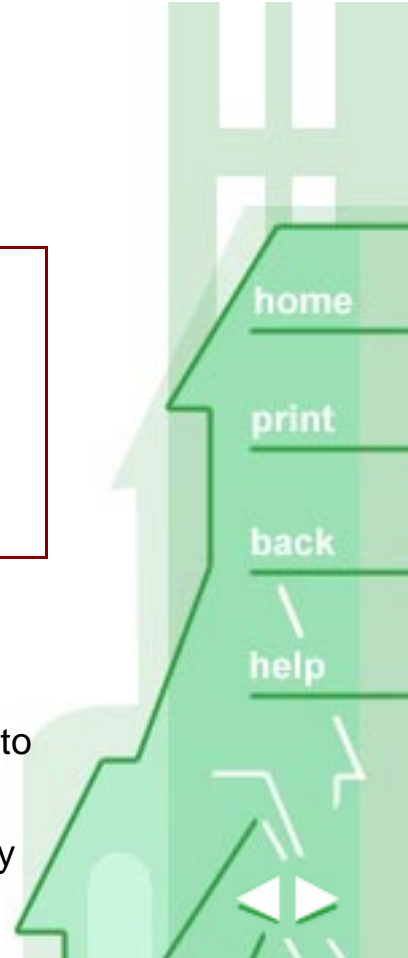
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8 How does the upper class 'reproduce itself', socially speaking?



INTERNATIONAL CAPITALISM

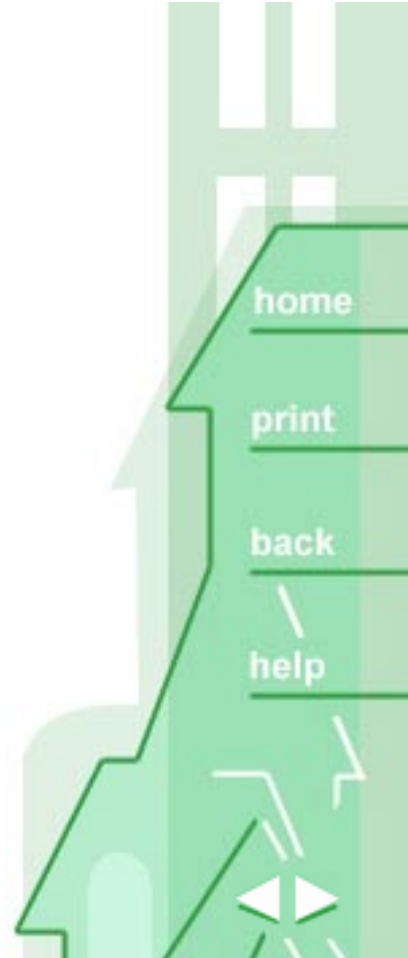
If you look at Capitalism world wide, you get a very clear picture of what Marx was talking about. We are constantly being encouraged to consume by changes in fashion, by the development of new technology, by the rapid deterioration of the possessions we already own, and by the free availability of credit.



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The goods we buy at inflated prices are often made in third world countries, and the people who make them are paid barely enough to live on, working in terrible conditions for long hours. Their poverty contributes to unemployment in Britain, as home grown manufacturers are undercut by cheap imports.

There are anomalies which the theory does not help to explain, so maybe other theories offer more appropriate explanations for the class structure in Britain.



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Assignment

Write an essay, discussing to what extent Marx's model of social class is appropriate to a modern industrial society.

Your answer should take no more than a page (2 sides) of A4 paper. You should hand it in to your tutor for marking.

Click the Home Button to move on

