

# [Marxist analysis](https://assignbuster.com/marxist-analysis-essay-samples/)

[Literature](https://assignbuster.com/essay-subjects/literature/), [Russian Literature](https://assignbuster.com/essay-subjects/literature/russian-literature/)

Marxist Analysis In the American Dream movie, a large Corporation is making enormous profits, and yet it is demanding pay cut of its factory employees. Clash ensues and workers make a strike threat as a result of the company’s intention to reduce the wages. In the fall of 1983, Hormel announced that it would reduce hourly wages of factory workers from $10. 69 to $8. 25. This was despite the fact that Hormel reported earnings of approximately $30 million. As the workers through their union decide to strike, the movie introduces the key actors. There is Ray Rogers, a freelance strike planner and publicist; Rogers easy, smiling style makes him seem like an opportunist.
There is Lewis Anderson, an experienced negotiator from the global parent union. Anderson warns the workers to call off the strike since in his opinion, they will not win. Anderson is right; when the employees refuse to compromise, the corporation simply provides their job to replacement employees. The situation was almost identical in the recent Caterpillar strike. American Dream provides a catastrophic picture of a State in which the philosophy of unionism of employees standing by other employees is dying off.
The Marxist theories on capitalism comprise the following; a falling rate of profit, a reserve army of the unemployed, business crises, increasing despair of the proletariat, and escalating concentration of industry into few firms. In the Marxian model, the capitalist is the main player in the economic process. The capitalist search for earnings and response to adjusting rates of profits largely explains the dynamics of the capitalist system. In the Marxist model, capitalists rationally and intentionally pursue their economic benefits and implant seeds of their own destruction. According to Marx, capitalism generates undesirable social outcomes, for example, the events depicted in the movie (Marx 762).
In the Marxian model, augmented capital accumulation will raise the labor demand. Increase in demand for labor raises the wage rates. Increasing wage rates lead to diminishing surplus value and profits. Marx explains this scenario using the concept of the reserve army of the unemployed. In Marxist view, there is continuously an excess labor supply in the market, which has the influence of lowering wages and maintaining the profits and surplus value positive. In search of profits, capitalists introduce new machines in the production process. Direct unemployment in the reserve army occurs as a result of replacement of employees with new technology (Marx 767).
In the movie, the workers are not absorbed into other sectors of the economy. Entry of new members into the labor market indirectly increases the reserve army of the unemployed. The reserve army of the unemployed retains down wages in the competitive market for labor. According to Marx, capitalists aim to maximize their profits through exploitation of employees (Marx 802). Hormel is one of the capitalists, which takes advantage of the lower wage rates in the labor market. Announcing a cut in wages is exploitation of workers since the company is making profits. As employees fail to compromise, they are replaced by new employees from the job market. The new workers accept the new and exploitative low wages. Capitalism has partly destroyed the American philosophy of unionism among workers.
Works Cited
Marx, Karl. Capital: Volume 1. London: Penguin Classics, 1992. Print.