## Marx and weber's ideas of class, power, and

Economics, Currency



Marxand Weber's Ideas of Class, Power, and Capitalism Conflict is a natural trait that characterizes interpersonal interactions. Various factors promote the development and maintenance of this phenomenon. In capitalist populations, this struggle is often attributed to the existence of social classes with varying levels of access to economic and political resources.

Consequently, variousscholars have attempted to examine the interaction between socioeconomicclasses with the aim of understanding the core elements that underpin theoperations of capitalist societies. Concepts posited by Karl Marx and MaxWeber's provide the most significant insights into this economic form. Due tohis emphasis on both political and economic elements, Weber's stratification theorypresents a more comprehensive analysis of capitalism. There is a marked difference inthe definitions of the class systems proposed by both scholars.

According toKarl Marx, the class system is maintained by disparities in access to andownership of means of production and labor. These discrepancies result in theestablishment of three distinct societal civilizations slave societies, feudalsocieties, and capitalism (Holt 2014, p. 92).

The first two civilizations are characterized by ownership of the labor of other humans. For instance, infeudal societies, lords owned the work of their serfs, and in slave societies, slave owners directed the activities of their slave. Due to the enactment of various policies that recognize fundamental human rights, feudal and slave civilizations are almost non-existent today. Interestingly, Marx's view about the ownership of forces of production offers a continuum that facilitates increased quality of access to resources.

Consequently, the third element in the continuum, capitalism, outlines significant levels of equality when compared to the first two civilizations described above.

According to Marx, this transitory mode of production contains internal contradiction thatthreatens its efficacy and sustainability (Callinicos 2012, p. 122). Similar toits predecessors, the class system in this form of society is tied to wages and control. According to Marx, this phase is characterized by increased competition that fosters conflict between the two primary society classes, the bourgeoisie, and the proletariat. Due to the conflict indisparities in political and economic power, the bourgeoisie and the proletariat exist in a constant state of struggle. This struggle is a result of the antagonism in objectives and discrepant levels of control of states.

Whilethe proletariat class seeks increased access to forces of production, thebourgeoisie is intent on maintaining its established socioeconomic statusprimarily via economic means. Max Weber, on the other hand, provides a more complex view of social stratification. In his works, he outlinesfour distinct groups created by varying levels of mobility. The broaderclassification offered in his work presents a more comprehensive view of society and stratification compared to the view shown by Karl Marx. Notably, Weber's definition of social classes allows for a less polarized light of society. According to Karl, capitalist mechanisms only allow for the establishment of the rich and the poor socioeconomic classes.

To some extent, this view is reflected by the widening wage gap demonstrated by the worseningeconomic condition of the underprivileged and the improving financial situation of the rich. Recent statistics indicate that there is a marked disparity in access to factors of production.

This discrepancy is evident in the current income gap, which indicates

thatindividuals from affluent backgrounds, on average, earn approximately 88% morethan those from low socioeconomic backgrounds do (Chu 2017). While thisdifference in earnings illustrates the view posited by Karl, it also reflects tenetsof Weber's arguments. Notably, Weber' social stratification model provides ameans of understanding this wage gap. However, unlike Karl's theory, thisframework accounts for differences in wealth fostered by family wealth. Bydoing so, it implies that observed differences in society are inherent elementsof capitalism that are maintained by primarily political factors. Moreover, Weber accounts for theemergence of the middle class.

Karl's framework as mentioned above emphasizes the development of the bourgeoisie and the proletariat, creating the perception that these are the only classes that exist in capitalist nations. Arguably, the broader definition provided by Weber allows for the exploration of an in-between class, the global middle-income population. According to Kharas, the global middle-income population is growing, primarily due to improved economic growth in developing and emerging countries (2017). While this population's access to forces of productions fails to rival that of the rich, it is still significant.

Arguably, the economic and political autonomy fostered by this access is demonstrated by the fact by 2030, the global middle-income population is anticipated to spend approximately a third of the expected GDP growth (2017). Besides, Weber's definition transcends economic stratification.

To some extent, his society stratification theory takes into consideration the fact that individuals in capitalist countries share different cultural aspects. The appreciation of cultural differences promotes examination of capitalism from different perspectives. Therecognition of this diversity provides a feasible platform for understanding and resolving economic challenges fostered by increased immigration due toglobalization and other factors. Additionally, the perspectives adopted by both scholars in their examination of capitalism differ. Asillustrated above, Karl Marx adopts a historical context in his analysis of the phenomena. Notably, in this continuum, which includes slavery and feudal societies, he explores the increasing access to elements of production and labor. This view leads him to conclude that capitalism is a transitional civilization phase and that communism is the end stage of this evolution as it facilitates equal access to means of production and distribution of wealth. Weber, in turn, views capitalism as a persisting form of civilization.

Arguably, his perception is more attunewith society today. Most states and organizations are working towards creatingmore equity within capitalist mechanisms rather than establishing an entirelydifferent form of production. Furthermore, the 20th century effortsaimed at promoting communism rather than illustrate its merits, – as indicatedby the limited growth of Cuba and the eventual collapse of East Germany, -demonstrated its shortcomings and consequently, undermined its adoption. However, the disparities inaccounts aimed at tracing the origins of capitalism indicate that Weber's explanation is more attune to modern capitalism. While Karl emphasizes the impact of economic inequality in fostering the emergence of capitalism, Weber examines the role of American Protestant cultural values in bolstering the

development of modern capitalism. By referencing the works of religious leaders such as Martin Luther, Weber argues that the Church's preoccupation with money rather than spiritual matters precipitated the establishment of the fundamental tenets of capitalism (Weber 2012).

Arguably, Weber's explanation reflects the political processes that create and maintain economic inequality. This political orientation facilitates understanding of gender and racial disparities in the workplace. The disparity in the theories posited by both theorists is also evident in their perception of the phenomenon. Karl's view of capitalism also encompasses the commodification that defines the production type. According to him, rather than create value and facilitate the satisfaction of human needs, the system is primarily oriented towards the realization of monetary values via the exchange of commodities (Ingham 2013, p. 15).

Today, corporations in various sectors have to contendwith competitive pressures from existing companies and new entrants. Due tothis significant level of competition, the focus across all industries is oncommodifying all aspects of life in a bid to maintain a competitive advantage. However, Weber, assertion that capitalism provides an avenue that facilitates therealization of human needs and wants (2013, 25) is not wholly without merit. Tosome extent as indicated by the success of social networking sites such asFacebook and Twitter, capitalism promotes both economic viability and meetsfundamental needs. Interestingly, both theoristsacquiesce that exploitation is inherent to this form of production. Karl arguesthat employees in this type of production have the freedom to determine whereto work.

However, they are often compelled to sell their labor to a segment of the population that encompasses the traits of the bourgeoisie. Consequently, they are likely to experience exploitation. Undoubtedly, this exploitation is illustrated by labor and tax policies that merit the corporate rich at the expense of the workers. Weber, on the other hand, asserts that disparity inpower and control are essential in ensuring the sustainability of capitalism (Ingham 2013, p. 28). According to him, accurate cost calculations are crucialto ensuring the achievement of the overall objectives of meeting basic needsand guaranteeing favorable profit margins.

Arguably, this cost calculation is exemplified by the significant number of layoffs during economic downtimes. Moreover, both Marx and Weber, tovarying extents, use their models to expound on financial crises.

Various nations in the world including the US and Greece have experienced economic rises in recent times.

Marx ties the occurrence of these crises to the existence of social classes. He posits that inequality in income, fostered byvarying access to resources, promotes the creation of conditions where there is an imbalance between production and consumption due to surpluses (Ingham 2013, p. 28). Today, these situations due to the advent of banking may undermine the currency value resulting in inflation. Though Weber does not go into details about this phenomenon, he does refer to debt deflation in his works. Arguably, Weber's theory accounts for the co-existence between the classes.

While Karl asserts that socialclasses are in constant disharmony, Weber suggests a more harmonious view. Heargues that the state and economic

elite accommodate each other to facilitate the accomplishment of specific objectives (Ingham 2013, p. 32).

Undoubtedly, this accommodation is demonstrated by the involvement of philanthropists such as Bill Gates in government efforts aimed at alleviating the condition of citizens across the world. In conclusion, both Karl and Weberpresent useful insights into the working of capitalism. The theorists via their respective models of social classes examine the characteristics, and primarily, the limitations of the mode of the production.

However, Weber's perspective ismore comprehensive. This is because apart from focusing on both the economicand political elements of the system, it also provides a more extensivedefinition of social stratification that accounts for the emergence of the global middle-income population.

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