Capitalism and Stratification

Some Key Elements
Concepts

• The **building blocks** of sociology

• Two important Sociological concepts include:

• **Social Stratification** and **Capitalism**

• Let Discuss…
Social Stratification

• Definition:

• Social Stratification is defined as:

• Sets of relationships in terms of ranking and establishing other relationships
SOCIAL STRATIFICATION

- REFERS TO HOW SOCIETY IS LAYERED

- LEVELS ARE CONSIDERS SOCIAL STRATA...

- i.e UPPPER CLASS, MID CLASS, LOWER OR WORKING CLASS
• Stratification differs from social inequality:

• Social inequality is inter-personal, situational, contextual…

• Social Stratification is broad and society…How society is layered from top to bottom
5 Stratification Systems in History

1. Slavery -- US South, South Africa

2. Estate -- Middle ages, Feudalism, Clergy, Aristocracy, Peasantry
3. Caste System – India


5. Communism - State control - Soviet Union, China, Cuba
Capitalistic Society

• Modern post-industrial capitalistic societies are based on the stratification system know as the SOCIAL CLASS SYSTEM...

• The class system is the most OPEN form of social stratification...
• **Social class** is a ranking or grouping of individuals according to position in the economic scheme of things.

• UPPER
  MIDDLE
  LOWER
Class

• Class systems & stratification result in differences in:

1. **Access** goods and services

2. **Power** to dispose of them.
Social class

- One’s Class standing is based upon:
  1. income,
  2. wealth,
  3. education
  4. occupation.
Capitalism and Stratification.

1. The social class is a system in capitalist society is supported by Neo-liberalism. Neo-liberalism—an ideology that values the free market individualism.
• **Neo liberalism like** classical liberalism…

• Promotes the **rights of the individual** over the collective.

• **The State** should not interfere with economic individualism.
Neo-liberals advocate in favour of natural inequality.

- **Social Darwinistic** notions of `survival of the fittest`

- **A movement towards the right wing** of the political spectrum.
The Political Spectrum

• RIGHT Wing TO LEFT Wing

• INDIVIDUALISM TO COLLECTIVISM
THREE FEATURES OF CAPITALISM

1. Private ownership of property

2. Pursuit of personal profit (surplus value)

3. Free competition and consumer sovereignty-laissez-faire (to let go)
Capitalism is characterized by **four main** activities:

1. Systematic Production
2. Systematic consumption,
3. Systematic exchange-capital or money
4. Personal income and wealth accumulation.
Keynesian Economics

- Post WW2 to late 1970s

1. THE STATE stimulates economic growth

2. THE STATE seeks stability in the private sector

3. THE STATE relies upon public projects to regulate economic behaviour

- See Obama’s tactics vs. Georg Bush
Contrasting Major Perspectives

Sociological perspectives include on capitalism and stratification include:

1. The **structural functionalist** perspective - stratification is functional,

2. The **symbolic interactionist** perspective – stratification is about status and culture
3. The **conflict perspective** (including the Marxist and feminist perspectives), - stratification is about domination and oppression
Stratification /Functional

Davis and Moore (1958). “Some Principles of Stratification”

- Inequality is natural
- A society of equal rewards is impossible
- Stratification is necessary and Functional
Conflict Theory

• Class differences are not natural and inevitable

• **Class differences** are mostly about wealth not income...income is year by year whereas **wealth is historical**
CONFLICT THEORY

• SUPPORTS A RADICAL AGENDA

• THE FAR LEFT ON THE POLITICAL SPECTRUM

• CONCERN WITH SOCIETY AS AN “ought” RATHER THAN IS>>>
Weber and Stratification

1. Social Stratification is **about status** difference

2. **Social Stratification** is part of human values generated by the `Spirit of Capitalism`

3. **Capitalistic ethos** - hard work, rationality, individualism part of formal rationality.
Summary

1. Theoretical perspectives on capitalism and stratification

2. SF-conservative status quo-stratification inevitable and necessary

3. Symbolic Interaction-liberal-critical, pessimistic..

4. Conflict/Feminist-radical---question authority

5. Post Modernism-deconstruction and fragmentation.
• Further left on the political spectrum=

**Keynesianism** - Social democracy- Welfare state capitalism. *(Left wing)*

**The far left** –Socialism (Marxist) or True communism.
Material Conflict Approach

• "The History of all hitherto existing societies is the history of class struggle"

• SEE MARX’S DAS KAPITAL (1860)
SOCIALISTS

- SOCIALISTS BELIEVE THAT ALL MEN ARE BASICALLY GOOD, NOT EVIL or EGOISTIC.

- SOCIAL SYSTEMS MAKE HUMAN CORRUPT..
Socialism

IS:

An economic system in which ... 
the means of production are collectively owned.
Conflict theorists define ideology as a body of assumptions, ideas, and values that combine into a coherent world view.
IDEOLOGY=

• Marx and Engels - ideas are social creations… = bourgeois false consciousness
IDEOLOGY = IDEAS LEGITIMIZED

- Legitimacy comes to us from a variety of sources:
  - PARENTS
  - SCHOOLS
  - MASS MEDIA
  - POLITICAL LEADERS
Conflict Theory: False Consciousness

• The bourgeoisie maintain false consciousness. FOUR IDEOLOGIES INCLUDE:

1. I.e. The cream rises to the top
2. Freedom requires some exploitation
3. “Any man can become President.”
4. Life, liberty and the pursuit of happiness”
Marx and Modes of Production

1. TRIBAL
2. ANCIENT COMMUNAL
3. FEUDAL
4. CAPITALISTIC
5. SOCIALISTIC
Daniel Bell (1973)

- The Coming of Post-industrial Society: A Venture in Social Forecasting
Revolution

1. EARLY INDUSTRIAL – 19th c

2. MID- INDUSTRIAL – 20th c

3. POST- INDUSTRIAL 21st c
FORDISM-1910

- The Second Revolution
- The Factory Model Mid 20thc
The Global Economy

• THE KNOWLEDGE SOCIETY VS.

• THE HAMBURGER ECONOMY (MCJOBS)
Criticisms of Post Industrialism

1. Labour market polarization
2. Labour market fragmentation
21st Century capitalism

• Four main Characteristics:
Canadian Industrialization

1. CANADA IS A RESOURCE NATION

2. INDUSTRIALIZATION AND CAPITALISM WERE PRODUCTS OF THE 20thc in Canada
`Fordism'
Gender roles in Can. Economy

CAPITALISM:

INCREASES INEQUALITY BETWEEN MEN AND WOMEN through the 20thc
Gender and Economy

• TO Marxists and a Feminists

• Work roles, gender roles are social constructs.

• **Capitalists use ideology** to manipulate behaviour
Consumerism

SEE T. VEBLEN
Consumption-Conflict View

Capitalism = consumption and production = Commodity Fetishism
History of Consumerism
Consumerism and capitalism

=PRODUCERISM-LEADS TO CONSUMERISM, LEADS TO STATUS SEEKING BEHAVIOUR
Veblen Goods

• **Veblen goods theory** - people's preference for buying them increases as a result of their price.

• Product and price - **direct function**

• A product must be good, it is expensive…
Consumerism

The term and concept of "conspicuous consumption" originated at the turn of the 20th century.
Consumerism and Hegemony

1. Conflict theorists maintain that relationships with products or brands are substitutes for the healthy human relationships.
Objectification

Marx calls these processes: objectification and reification.
Marx’s Theory

Marx turned the Hegelian dialectic (idealism) into **dialectical materialism**

• In the beginning…“MAN IS FUNDAMENTALLY A PRODUCER”
Summary

1. **Capitalism** is a mode of production—not the first, not the last…

2. Capitalism-generates **stratification** as class system.

3. **Capitalism** is first mode of production in which pure class divisions exist.

4. Potential for **proletarian revolution??**
Marx’s Theory

Marx turned the Hegelian dialectic (idealism) into **dialectical materialism**

- “MAN IS FUNDAMENTALLY A PRODUCER”
CONSUMERISM AND LIBERTY?

• To Marx, consumerism is part of capitalistic ideology and false consciousness-
Conservative VS. Radical

1. A structural functionalist like Parsons. To not like-Consumerism = Anti Americanism …

2. To a conflict theorist like Marx, Anti-Consumerism is Anti-ideological?
Consumerism and Ideology

The ideology of consumption leads to at least six major illnesses:
Marx on Consumerism

1. HUMANITY HAS REIFIED ITSELF...THIS WAS MARX’S FEAR.

2. COMMODIFICATION & Objectification

3. Humans become objects of the market

4. Ideas become ideology
Capitalistic Ideology

1. Controlled by the few
2. Accepted by many as `reality’.
3. A means by which the bourgeoisie sustain their legitimacy.
COMMODITY FETISHISM

• In Marxist theory…

1. Commodity fetishism is a state of social relations, in complex capitalist market systems.

2. True social relationships are undermined by the values placed on commodities.
David Foote

• BOOM, BUST and ECHO 2001

1. BOOMERS-1946-1966

2. BUST-1967-1980

ECHO GENERATION 1995

• CONSUMERISM AND THE `YUPPY PUPPY’

• "Canadian kids, between the ages of 9-14 have $1.8 billion in disposable income, and influence ten times that amount in family spending.

• Consumerism part of our children's lives.
ECHO CONSUMERS

• Canadians now over the age of twenty—the "Echo Generation,"
• as they're often called—
• GEN Y make up a quarter (26 per cent) of the country's population.
ECHO GENERATION-Y

- Once an ignored demographic for advertisers, ECHO GENERATION-Y
- the most marketed-to generation in history

- Constant bombardment of marketing messages
- Products become a ubiquitous force in MENTAL LIFE
Different Lenses on Society

• Each of these perspectives has a different assumption about the causes of human behaviour, a different sociological focus, and each asks different kinds of questions.
Structural-functionalism

1. Structural-functionalism that society ‘normative’ order
2. People’s behaviour is organized around social institutions
3. **Institution** are comprised of rules and norms
4. Thus a functionalist focus on **social norms**
5. Tends to ask questions about the functional and dysfunctional elements of human behaviour and social
Symbolic interactionism

1. Symbolic interactionism views human behaviour is the result of individual interpretation of symbols
2. Social context and social interaction.
3. People perceive and construct their social reality
4. Tends to ask questions about how individuals make sense of their social world
Feminist theories

1. Feminist theories assume that human behaviour is mainly determined by class and/or gender conflict rooted in the economic structure of society;

2. The focus is on the conflict-based nature of human behaviour,

3. Tends to ask questions about how to change the current system into a more egalitarian society
Conflict and Feminist perspectives

1. The critical perspective also brings into question value-free science and the acceptance of objectivity in social science.

2. Critical theory questions status quo (often middle-class based) representations of reality by including everyday experiences of individuals.

3. Issues of empowerment, diversity in experience, and humanism are important, as is consideration of their implications for equitable social policy.
Postmodernism

1. **Postmodern thought** arose in philosophy as a response to positivist science,

2. Assumes that human behaviour cannot be studied in an objective and reliable way.

3. Post modernist is also considered to be synonymous with critical gerontology (see the McPherson and Wister text).
Postmodernist’s methods

4. Postmodernists employ the concepts of social construction and deconstruction.

5. Social construction suggests that reality is presented to others from a perspective that is biased by the individual’s experiences, belief systems, and so forth.
Representations of reality

6. This makes social reality **unobservable** in an **objective sense**.

7. **Representations** of reality are therefore derived from **shared knowledge** and meanings rooted in culture.

8. **Deconstruction** begins with the notion that language is a social concept

9. **Language must be deconstructed** in order to understand its true meaning.
Postmodern feminism

- As Ray (1996) states, a postmodern feminist might deconstruct the term caregiving into ‘care’ (the notion of shared intimacy and support) and ‘give’ (the idea that the care is provided freely).
- Issues about unpaid labour in the home might then be explored.
Micro/Macro Theories

• Symbolic interactionism and phenomenology are micro-level theories because they emphasize individual perceptions, whereas structural-functionalism and conflict theory both place greater emphasis on social institutions and social structure, and they are therefore deemed to be macro-level theories
SF vs. Conflict

• However, functionalism and conflict theory are also **diametrically opposed**: one supports the status quo, and one seeks to transform it. Furthermore, postmodernism and **critical theory** questions the foundations of **positivist science** and the creation of knowledge.
Three forces Drive Globalization:

1. **Universalism** - universalism seeks truths that apply to all times and places.

2. **Imperialism** - the notion that developed nations can help and exploit less nations.

3. **Capitalism** - the search for surplus value - as the market continues there exist a drive to find cheaper and more efficient ways of producing good for sale and consumption.