

Marx And Weber's Take On Capitalism

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Introduction

For decades, Europe followed feudalism as its social, political, and economic structure. Amid the changing scenario of religious movements, colonization, and industrialization, the first sparks of capitalism began, which revolutionized the economy, politics, and societies (Bagchi, 2008). The Industrial Revolution is attributed to increased production, the development of technology, and the establishment of factories, creating capitalist economies across Europe (Mcintosh, 1997). The idea of capitalism has been largely used by sociologists to take a broad view of the principal characteristics of a society. It has also been used as a model to understand the economic factors and their relationship (Grassby, 1999). This paper will explore the approach and analysis of Marx and Weber towards capitalism.

Karl Marx And Capitalism

[Karl Marx](#) was inspired by the works of many political economists of his age, which helped him produce his early works that addressed the ideas of alienation and the role of the working class (Mcintosh, 1997). By defining and discussing these, Marx elaborated on how one class impacts the lives and opportunities of the other class classically and how the bourgeoisie impacts the proletariat. It was this idea of alienation that made Marx a prominent critic of the capitalist system, sparking the socialist revolution (Prychitko, 1993).

Capitalism relies on private ownership and earning profits and is attributed to the formation of an exchange economy; Marx terms these three as age-old human behaviour, and he states capitalism is a historical system (Giddens, 1971). Marx described that the separation of labour from capital and land caused labourers to be treated as commodities and was also the key basis of alienation (Mcintosh, 1997). A worker is paid for the work he does to create an exchange system, making workers a commodity (Karlsson & Månson, 2017). Alienation meant that the workers were estranged from the fruit of their labour or the products, the process of its production, and themselves and others (Corlett, 1988). As a person's means of living is a part of his identity, capitalism took away that as the labourers could not express their individuality or creativity (Bakshi, 2011).

Marx employed the classical labour theory of value to give another criticism of capitalism. The energy and effort the labour puts in to produce a product are known as labour power; in capitalism, this labour power is a commodity as the worker is paid wages by the capitalist for the value of his labour or effort (Cohen, 2014). Just as a commodity is weighed on a scale and paid for, the labour-power is weighed in time and paid for (Mcintosh, 1997). The labour theory suggests that the amount of time

(the abstract labour) to produce labour-power determines the value of labour power (Karlsson & Månson, 2017). For a labourer, a human- refers to the time he uses to sustain himself (Cohen, 2014). Marx comments that capitalists extract profits from the difference between the value of labour power and labour power; this he terms surplus value (Karlsson & Månson, 2017). The difference between the value the labourer creates and the value he receives is minute compared to the profit the bourgeoisie earns, making this a system of exploitation (Cohen, 2014).

In a market economy or capitalism, capital holds the pinnacle of all efforts undertaken in the production process, as this leads to profit-making and investment or reinvestment (Grassby, 1999). Scientific and technological development emerged rapidly during the capitalist economy, which was directed towards increasing production to increase profit, which Karl Marx termed as materialism- another criticism of capitalism (Rosenberg, 1974). This materialism leads to a class system, which is a historical notion manifested in human societies, whether it was the earliest patricians and slaves in the Roman empire, the feudal lord and his peasants, or the Bourgeoisie and Proletariat (Mcintosh, 1997). Furthermore, the political structure through its policies fashions long-term benefits for the Bourgeoisie as they are essential to the capital generation and economic growth of the country. He also points out that such arrangements between capitalists and politicians lead to social corruption and bribery (Frey & Wellman, 2008). Karl Marx deemed capitalism a failed system, for he believed that free-market or free competition was synonymous with anarchy as it depended on complex and unpredictable factors of supply and demand (Prychitko, 1993).

Karl Marx was a socialist, and his work largely revolved around the entities of capital and labour, whereas Max Weber's work emerged post-World War (Karlsson & Månson, 2017). Weber was an imperialist who supported power-driven nation-states, he was also up- held the ideas of social Darwinism early on in his life. However, his later works were inspired by his travels and the general collapse of Germany (Weber, 2009). Post-world War changed, his approach, and he was keener on the capitalistic economy, his works were organized around rationalization, secularism, and disenchantment as key elements.

Marx And Weber Comparison

An initial difference between the works of Marx and Weber lies in the fact that Marx did not distinguish the political and economic powers, whereas Weber made a clear distinction between the two (Weber, 2009). He describes that, unlike politicians who might rise to the top through public support coming from the bottom of society, bureaucrats are appointed from the top. He refers to bureaucrats as qualified people to work in politics, which he considers a vocation with its own set of specialized skills. Weber realized how crucial bureaucracy was for modern states as they faced challenges emerging from increased populations, such as mass- democracy and emerging industrialization that equipped armies to the teeth with their inventions (Law, 2010). He also discussed that bureaucracy should take a rational approach so that it can perform within its jurisdiction (Hilbert, 1987). From him, the problem was that bureaucracy, in its capacity, could run

states, exert its domination, and create an iron cage (Kilker, 1984).

Weber saw the necessity capitalism had created and did not discard it like Marx. He described traditionalism as fixed and focused on the transmission of age-old, unchallenged methods and rationalization as one critique of economic factors using efficiency and technical development as criteria to judge them. Weber equated feudalism and catholicism with traditionalism and capitalism and Protestantism with rationalization. Weber also considered that everyone in the society was supposed to contribute, whether as a worker or a capitalist (Birnbaum, 1953).

Conclusion

Weber's analysis of capitalism is prevalent in modern economies as bureaucracy is an essential element of modern politics. Institutes and accumulation of power in classes rather than a single person help keep bureaucracy under check as well. Rationalization has paved the way for specialized economies with industries and technologies with calculation and reflexivity in processes. Also, every individual should make useful contributions to society even though it is not a religious notion anymore- it is considered a civic responsibility.

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