

**Sociology 621 Lecture 3. September 10, 2013. The Anchor: Capitalism
OUTLINE**

1. A note on concepts & definitions

- **Words**
- **Levels of abstraction of a definition**
- **Concepts and Theories**

2. Capitalism: the contrast space

- Mode of production vs other ways of classifying societies.
- Capitalism vs other modes of production

3. Two approaches within the Marxist tradition for developing a definition of capitalism

3.1 Capitalism as a distinctive form of market society:

- *Simple commodity production: C – M – C*
- *Capitalist commodity production: M – C – M'*

3.2. Capitalism as a distinctive organization of production: the basic structural definition

- **Class relations**
- **Economic coordination:**

3.3 Complexity

- Capitalism is mixed with a variety of non-capitalist forms
- There are many different *types of capitalism*

4. Capitalism: core dynamics

4.1. The key sources of dynamism

(1) *Capitalist competition*

- *Lower costs of production and increase productivity.*
- *New products & markets.*

(2) *Class conflict*

4.2 Contradictions within these dynamics

Definition: At its core, a contradiction means that there are chains of effects of a given process which disrupt the functioning of the process.

4.3 An ambiguity in the analysis: From profits to Capital accumulation

Question: Why does competition not merely force firms to maximize profits, but also forces them to into an endless accumulation of capital?

Three explanations for capitalist imperatives of growth:

- Economies of scale
- Aggregate political and economic instability from lack of growth
- Motivations of capitalists, rather than structural imperatives