UNIT 11: MODE OF PRODUCTION IN CAPITALIST SOCIETY

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11.1 LEARNING OBJECTIVES

After going through this unit, you will be able to -

- understand the concept of mode of production in capitalist society
- know the different types of mode of production and the key arguments relating to it
- Know the systems of production, circulation and consumption systems in the capitalist mode of production.

11.2 INTRODUCTION

The idea of mode of production was developed by Karl Marx (1818-1883). Mode of production alludes to the fluctuated ways that people all in all produce the methods for subsistence so as to endure and improve social being. Marx accepted that mankind's history could be portrayed by the

predominant mode of production and in this sense the term alludes to a particular monetary framework. Marx was keen on completing two things: giving a logical system to characterizing explicit mode of production and finding those modes as far as a theory of historical development.

The mode of production is a focal idea in Marxism and is characterized as the manner in which a society is sorted out to deliver merchandise and enterprises. It comprises of two noteworthy aspects: the powers of creation and the relations of generation. The powers of creation incorporate the majority of the components that are united underway - from land, crude material, and fuel to human expertise and work to hardware, instruments, and processing plants. The relations of creation incorporate connections among individuals and individuals' connections to the powers of generation through which choices are made about how to manage the outcomes. In this unit we shall try to understand the concept of mode of production. We would understand the systems of production, consumption, and circulation in this unit.

11.3 MODE OF PRODUCTION

As indicated by Marx, history advances through the connection between the method of creation and the relations of generation. The method of generation always advances toward an acknowledgment of its fullest beneficial limit, yet this development makes hostilities between the classes of individuals characterized by the relations of creation-proprietors and laborers.

Free enterprise is a method of creation dependent on private responsibility for methods for generation. Industrialists produce products for the trade advertise and to remain aggressive must concentrate however much work from the laborers as could reasonably be expected at the most minimal conceivable expense. The monetary enthusiasm of the entrepreneur is to pay the laborer as meager as could be allowed, in truth only enough to keep him alive and beneficial. The laborers, thus, come to comprehend that their financial intrigue lies in keeping the entrepreneur from abusing them

along these lines. As this model shows, the social relations of generation are characteristically opposing, offering ascend to a class battle that Marx accepts will prompt the oust of private enterprise by the low class. The low class will supplant the entrepreneur method of generation with a method of creation dependent on the aggregate responsibility for methods for generation, which is called Communism.

11.4 TYPES OF MODE OF PRODUCTION

As per Marx, the nature of society and its structure depends particularly on the modes of production. Marx talked as far as four phases of mode of production. They are:

11.4.1 Primitive-Communal Form of Society

In mankind's history, this is the least difficult type of society and 'mode of production'. This sort of society is described by simple relations of generation which depended on co-activity and mutual responsibility for 'means of production'. During the primitive 'mode of production', new devices for agribusiness were imagined and even flame was utilized. As indicated by law of dialectical materialism, the utilization of agrarian apparatuses and fire are not many instances of quantitative changes in the society. In any case, even in primitive society the generation framework advanced in a rudimentary state. The devices and methods were slowly improved which prompted collection of abilities. The expanding profitability in the society with the assistance of the devices prompts discontinuity of mutual structure of the general public and individuals were isolated into little units known as family. The arrangement of private property developed, and families turned into the proprietors of 'means of production'. Therefore, showdown rose between the existing relations of creation' and this brought forth exploiting classes in the general public. This at last brought subjective change for example primitive-communal society transformed into ancient mode of production. There was a contention of contrary energies inside the framework between two recently shaped classes which prompts devastation

of primitive communal system. This prompted the improvement of slavery stage in history of humankind.

11.4.2 Slave-Master Society

This society gave abundant extension for the rise of social disparity between ascent of slave owning classes or masters and slaves. In this society, the 'relations of production' depended on the master's outright control over both the 'means of production' and the slaves with their produce. Logical inconsistencies between slave proprietors and the slaves were conspicuous here. These logical inconsistencies between the two classes i.e., master and slave prompted its subjective change in the society. The 'negation' in slave owning society prepared for feudal society. The feudal system is another case of 'refutation of nullification'. Feudal society rose after the refutation of 'slave master society' which itself was a result of 'nullification' of 'primitive communal society'.

11.4.3 Feudal Society

In feudal society, the 'relation of production' was quantitatively unique from the past society. In feudal stage, fast quantitative change took place in the 'forces of production' in the generation framework. It was in this phase where non-living articles resembled water, wind, and so forth were changed over into sustainable wellspring of vitality. This stage was described by persecution of 'serfs' by the feudal lords and development of urban focuses. Exchange, business and assembling started to prosper. The contention of alternate extremes in feudal stage was reflected in the struggle between the landless serfs and feudal lords. Eventually, with the logical inconsistency of alternate extremes between two classes in feudal society prompted its demolition and its invalidation prompted the capitalist society.

11.4.4 Capitalist Society

In this stage, the exploitative connection among capitalists and workers encouraged enormous development of beneficial powers in the system. The natural inconsistency in capitalist mode of production is the disjointedness between the private capitalist type of apportionment and the

social character of production. In this stage, laborers encourage mass social production yet sadly a little gathering of bourgeoisie collect the product of the former's labour. The laborers are over exploited by the bourgeoisie in the production process which prompts their alienation. This is a conspicuous and basic financial logical inconsistency of capitalist framework. This rising clash of contrary energies for example among bourgeoisie and workersleads to financial emergencies. As an outcome, class struggle happens between the bourgeoisie and the proletariat prompting quantitative changes. The class cognizance of the proletariat will acquire upset the capitalist society. The capitalist mode of production will be finished through this insurgency. This unrest will be gone with a subjective change i.e., the rise of the socialist financial arrangement.

The direction of new socialist financial arrangement has two stages: socialism and communism. Socialism is where the means of production will be generally possessed, not by private element. In such a society the proletariat or the laborers will have power over the means of production and they will convey the produce similarly among themselves as indicated by their needs. This stage is regularly alluded to as "Tyranny of Proletariat". The subsequent stage is communism. This is a phase of stateless society, where arguments unfurl itself, which brings forth another social framework which will be free from any logical inconsistencies. Be that as it may, as per persuasions, logical inconsistency is unavoidable piece of human culture which brings social change in the society with consequent advancement. Under communism, there will be logical inconsistency between individuals and their encompassing nature. In this manner, three laws of rationalizations are utilized in Marxian analysis of mankind's history.

11.5 SYSTEM OF PRODUCTION

In this stage, the exploitative connection among entrepreneurs and workers encouraged gigantic development of profitable powers in the framework. The characteristic logical inconsistency in industrialist mode of production is the confusion between the private entrepreneur type of

appointment and the social character of creation. In this stage, laborers encourage mass social generation however lamentably a little gathering of bourgeoisie collect the product of the previous' work. The laborers are misused by the bourgeoisie in the generation procedure. This is an undeniable and principal monetary logical inconsistency of industrialist framework. This rising clash of contrary energies, for example, among bourgeoisie and workers leads to financial emergencies. Thus, class battle happens between the bourgeoisie and the working class prompting quantitative changes. This upheaval will be gone with a subjective change i.e., the development of the socialist financial arrangement. The direction of new socialist financial arrangement has two stages: communism and socialism. Communism is where the methods for creation will be regularly claimed, not by private element. In such a general public the low class or the laborers will have command over the methods for creation and they will disperse the produce similarly among themselves as per their needs. This stage is frequently alluded to as "Autocracy of Proletariat". The second stage is socialism. This is a phase of stateless society, where arguments unfurl itself, which brings forth another social framework which will be free from any logical inconsistencies. Under socialism, there will be inconsistency between individuals and their encompassing nature. Consequently, three laws of rationalizations are utilized in Marxian investigation of mankind's history.

11.6 CONSUMPTION

Consumption is the procedure by which products and ventures are, finally, put to use by individuals. Consumption is toward the stopping point of financial exercises that begins with an assessment of accessible assets and continues through generation of goods and services and circulation of goods and services (or the way to procure them) among individuals and groups. Finally, the goods and services come to be utilized.

Marx was not worried about building up a theory of consumption essentially. His worry was class, which for him implied the appointment furthermore,

dispersion of surplus labor time. Marx, the person's "regular" connection to the item as use-esteem is comprehended to be misshaped by capitalism. Since laborers are isolated from the products of their labor, they approach wares as commodities which are disconnected to their states of production. Commodity trade produces people who are perplexed by the enormous accumulation of goods introduced available to be purchased in capitalist society. As opposed to seeing wares as typified labor time, commodities are viewed as "things" which can be traded similarly and consumed to fulfil human needs. Use-worth, or utility, is comprehended to exist to a great extent outside the verifiable procedure.

For Marx, the amount of consumption was a potential hindrance to the acknowledgment of surplus value. Defeating the boundary required both an increment sought after and an adjustment in the sorts of goods consumed.

As it were, relations of production relegate individuals "jobs" and give them proper methods for instalment. Consumption for the most part is controlled by production. For capitalism to work easily, individuals' "needs" must comply with the necessities of the production system. Simultaneously, Capital's quest for consistently growing pools of surplus value requires the broad control of those necessities.

One oft-neglected model is Marx's treatment of displayers of individual consumption. The showcase by mechanical capitalist, top directors, and their orderlies, of garments, vehicles, craftsmanship objects, sustenance, and so forth, goes about as a motivator to actuate beneficial laborers to more prominent exertion, with the goal that progressively surplus labor time is accessible to the capitalist. Such show the two creates and symbolizes calculated and physical contrasts among entertainers and appropriators of surplus value, setting up an apparent prevalence of the last over the previous. Correspondingly, show of extravagance can be a condition for getting credit. Marx contends that prominent consumption can persuade agents regarding the probability of credits being reimbursed, giving capitalists access to additional credit, or credit on better terms.

11.7 CIRCULATION

The circulation of commodities is the beginning stage of capital. The production of commodities, their circulation, and that progressively created type of their circulation called commerce, these structure the authentic preparation from which it rises. The cutting edge history of capital dates from the creation in the sixteenth century of a world-grasping commerce and a world-grasping market.

In the event that we move from the material substance of the circulation of commodities that is, from the trading of the different use-values, and consider just the financial structures created by this procedure of circulation, we observe its last outcome to be money: this last result of the circulation of commodities is the primary structure where capital shows up. As an issue of history, capital, rather than landed property, perpetually takes the structure from the outset of money; it shows up as well-to-do riches, as the capital of the vendor and of the usurer. But we have no compelling reason to allude to the cause of capital so as to find that the main type of appearance of capital is money. We can see it day by day under our very eyes. All new capital, to begin with, goes ahead the stage, that is, available, regardless of whether of commodities, labor, or money, even in our days, in the state of money that by a positive procedure must be changed into capital. The main refinement we see between money that is money just, and money that is capital, is simply a distinction in their type of circulation.

The least complex type of the circulation of commodities is C-M-C, the transformation of commodities into money, and the difference in the money back again into commodities; or selling so as to purchase. However, close by of this structure we discover another explicitly unique structure: M-C-M, the transformation of money into commodities, and the difference in commodities back again into money; or purchasing so as to sell. Money that circulates in the last way is in this way transformed into, ends up capital, and is as of now possibly capital.

Presently let us look at the circuit M-C-M somewhat closer. It comprises, similar to the next, of two contradictory stages. In the main stage, M-C, or the buy, the money is changed into a commodity. In the subsequent stage, C-M, or the deal, the commodity is changed back again into money. The mix of these two stages comprises the single development whereby money is traded for a commodity, and a similar commodity is again traded for money; whereby a commodity is purchased so as to be sold, or, dismissing the refinement in structure among purchasing and selling, whereby an commodity is purchased with money, and after that money is purchased with a commodity.

The two circuits are resolvable into a similar two contradictory stages, C-M, a sale, and M-C, a purchase. In every one of these stages a similar material components - a commodity, and money, and the equivalent financial players, a purchaser and a vender - defy each other. Each circuit is the solidarity of a similar two contradictory stages, and for each situation this solidarity is realized by the intercession of three contracting parties, of whom one just sells, another just purchases, while the third both purchases and sells. What, in any case, above all else recognizes the circuit C-M-C from the circuit M-C-M, is the modified request of progression of the two stages. The basic circulation of commodities starts with a sale and finishes with a buy, while the circulation of money as capital starts with a buy and finishes with a sale. In the one case both the beginning stage and the objective are commodities, in the other they are money. In the main structure the development is realized by the mediation of money, in the second by that of a commodity.

In the circulation C-M-C, the money is at last changed over into a commodity that fills in as utilization esteem; it is spent once for all. In the rearranged structure, M-C-M, despite what might be expected, the purchaser spreads out money all together that, as a merchant, he may recuperate money. By the buy of his commodity he tosses money into course, so as to pull back it again by the closeout of a similar commodity. He releases the money, yet just with the guileful goal of getting it back once more. The money, thusly, is not spent, it is simply exceptional.

In the circuit C-M-C, a similar bit of money changes its place twice. The merchant gets it from the purchaser and pays it away to another dealer. The total circulation, which starts with the receipt, finishes up with the instalment, of money for commodities. It is despite what might be expected in the circuit M-C-M. Here it isn't the bit of money that changes its place twice, however the commodity. The purchaser takes it from the hands of the merchant and passes it under the control of another purchaser. Similarly as in the basic circulation of commodities the twofold difference instead of a similar bit of money impacts its entry from one hand into another, so here the twofold difference instead of a similar commodity realizes the reflux of the money to its place of flight.

Such reflux isn't reliant on the commodity being sold for more than was paid for it. This situation impacts just the measure of the money that returns. The reflux itself happens, so soon as they obtained commodity is exchanged, as it were, so soon as the circuit M-C-M is finished. We have here, consequently, a discernable distinction between the circulation of money as capital, and its course as minor money.

The circuit C-M-C comes totally to an end, so soon as the money acquired by the closeout of one commodity is preoccupied again by the buy of another. Purchasing so as to sell, or, all the more precisely, purchasing so as to sell dearer, M-C-M', shows up positively to be a structure impossible to miss to one sort of capital alone, to be specific, shippers' capital. Yet, mechanical capital also is money that is changed into commodities and by the clearance of these commodities is re-changed over into more money. The occasions that happen outside the circle of course, in the interim between the purchasing and selling, don't influence the type of this development. In conclusion, on account of enthusiasm bearing capital, the circulation M-C-M' seems shortened. We have its outcome without the moderate stage, in the structure M-M', "en style lapidaries" so to state, money that is worth more money, esteem that is more noteworthy than itself.

M-C-M' is along these lines in all actuality the general recipe of capital as it shows up at first sight inside the sphere of circulation.



CHECK YOUR PROGRESS

Q1. State the types of mode of production.

Q2. What is feudal society?

Q3. Define capitalist society.



11.8 LET US SUM UP

- The idea of mode of production was developed by Karl Marx (1818-1883). Mode of production alludes to the fluctuated ways that people all in all produce the methods for subsistence so as to endure and improve social being.
- Mode of production comprises of two noteworthy aspects: the powers of creation and the relations of generation. The powers of creation incorporate the majority of the components that are united underway - from land, crude material, and fuel to human expertise and work to hardware, instruments, and processing plants. The relations of creation incorporate connections among individuals and individuals' connections to the powers of generation through which choices are made about how to manage the outcomes.
- Marx talked of mode of production. They are: Primitive Form of Society, Slave-Master Society, Feudal Society and Capitalist Society.
- In primitive form of society is described by simple relations of generation which depended on co-activity and mutual responsibility for 'means of production'.
- In slave-master society, the 'relations of production' depended on the master's outright control over both the 'means of production' and the slaves with their produce.
- In feudal society, the 'relation of production' was quantitatively unique from the past society for example slave owning society. In feudal stage, fast quantitative change took place in the 'forces of production' in the generation framework.

- Capitalist society depends on private responsibility for means of production by little gathering of individuals who are known as capitalists or bourgeoisie. In this stage, the exploitative connection among capitalists and workers encouraged enormous development of beneficial powers in the system.
- In the system of production, the exploitative connection among entrepreneurs and workers encouraged gigantic development of profitable powers in the framework.
- Consumption is the procedure by which products and ventures are, finally, put to last use by individuals.
- For Marx, the amount of consumption was a potential hindrance to the acknowledgment of surplus value. Defeating the boundary required both an increment sought after and an adjustment in the sorts of goods consumed.
- The circulation of commodities is the beginning stage of capital. The production of commodities, their circulation, and that progressively created type of their circulation called commerce, these structure the authentic preparation from which it rises. The cutting edge history of capital dates from the creation in the sixteenth century of a world-grasping commerce and a world-grasping market.



11.9 FURTHER READING

- Banaji, J. (2010). Theory as history: essays on modes of production and exploration. BRILL: Boston
- Jessop, B., & Wheatley, R. (1999). Karl Marx's Social and Political Thought: Vol. VI: modes of production the world system, classes, and class struggle London: Routledge