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CRITICAL PERSPECTIVES IN SOCIOLOGY

Second Edition

Edited by
BERCH BERBEROGLU

CRITICAL PERSPECTIVES IN SOCIOLOGY

A Reader

Second Edition

Edited by

Berch Berberoglu
University of Nevada, Reno



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*Dedicated to the memory of
Albert J. Szymanski*

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Preface and Acknowledgments

In this final decade of the twentieth century we are at the threshold of major developments of national and global magnitude. The transformations now taking place in Eastern Europe and the former Soviet Union, which have ushered in “the end of the Cold War,” have given way to instability and crises elsewhere in the world and prompted the full-scale resumption of inter-imperialist rivalry between the major capitalist powers for control of global markets, raw materials, and spheres of influence throughout the world—a development that will have an enormous impact on the global political economy and balance of class forces well into the 21st century.

On the domestic front, the declining U.S. economy and the unfolding current economic crisis has pushed the country to the edge of a financial collapse and depression unknown since the Great Depression of the 1930s. Our cities are in decay, education, health care, and social services are in dire straits, joblessness is on the rise, the standard of living is declining, racism is on the upsurge, and more and more of us are losing our farms and homes and are becoming part of a growing poverty-bound homeless population. We now live in an environment of ecological destruction and despair, while our most cherished ideas of freedom and civil liberties are being threatened by the very forces in charge of a declining empire afflicted by these and other decisive societal problems of historic magnitude.

The culmination of a truly collective project, this book is the end product of a cooperative effort on the part of all the contributors who have taken part in this important and timely endeavor intended to provide an analysis, and perhaps some modest answers, to the central issues confronting our society at this critical historical juncture.

I would like to thank, first and foremost, all the contributors to this volume for their dedication and commitment in helping to make this project a great success. All but six of the essays contained in this volume were commissioned especially for this book and represent original research and analysis that is of the highest quality in the field; yet, they were prepared with an eye toward its primary audience — introductory-level college students. Thus, the volume makes an excellent companion to texts in introductory sociology and social problems courses. Its critical approach, comprehensive scope, and high quality scholarship in addressing key social issues also makes it an ideal book for use in upper-division courses such as social stratification, industrial sociology, social organization and American society.

The contributors to this book have written their essays with a minimum of disciplinary jargon and with a direct interest in communicating their ideas to students who may be confronting these issues in a systematic and analytical way perhaps for the first time in their college career. It is, therefore, with the interests of the beginning student in mind in dissecting

the complex problems and presenting them in a clear and direct way that the essays in this volume were prepared and organized in their present form.

This second edition of *Critical Perspectives in Sociology* has been thoroughly revised and updated with the latest available data, including the most recent income distribution and poverty statistics published by the U.S. Bureau of the Census. While three of the shorter chapters by Friedman, Young, and Ewen have been dropped, two new chapters (one on alienation by Schweitzer and another on health care by Navarro) are added to this edition. Despite these changes and revisions, however, the basic structure of the book, with its focus on *class*, remains the same.

With all the developments of the past few years—the end of the Cold War, the transformations in Eastern Europe and the former Soviet Union, the rise of Japan and Germany to world prominence, the continuing economic stagnation and decline of the United States, and the changing of the guard at the White House, marking the end of “supply-side, trickle-down economics” and the beginning of demand-side public policy—the issues addressed in this book are at the cutting edge of discussion and debate and continue to provide much insight into the current issues and problems that we face in America today.

I would like to thank Julia Fox, Alvin So, Howard Sherman, Judy Aulette, Walda Katz Fishman, Bob Parker, Jerry Lembcke, Roslyn Mickelson, Ted Goertzel, Martha Gimenez, David Schweitzer, Elaine Enarson, Jerry Kloby, Bernard Headley, Barbara Brents, and Vicente Navarro for their prompt response and cooperation in undertaking the necessary revisions and producing excellent essays to meet the scope and depth of this volume in a timely manner. For their participation and interest in the project and for carrying through with their commitment to its completion, I thank them all collectively for a job well done.

I would also like to thank Victor Perlo, as well as Betty Smith of International Publishers, for allowing me to use excerpts from several chapters of his recent book, *Super Profits and Crises*, which comprise the two essays included in this volume. Similarly, my thanks go to Jim O'Connor, as well as Jenny Bourne of the Institute of Race Relations in London, for permission to reprint his essay which appeared earlier in the journal *Race & Class*. An earlier version of Roslyn Mickelson's essay on education appeared in *Humanity and Society*, portions of Martha Gimenez's essay on poverty were published in *The Insurgent Sociologist* and *Social Justice*, a longer version of David Schweitzer's essay on alienation appeared in an anthology published by Transaction Books, and an earlier version of Vicente Navarro's essay on health care was published in *Monthly Review*; I thank all of these publishers for granting permission to reprint these materials in this book.

This book is dedicated to the memory of Al Szymanski in honoring him for the exemplary scholarship and leadership he has provided in advancing and helping to establish the acceptance of critical perspectives in sociology. The essays included in this book are written in the best tradition of critical thinking that Al and others helped to formulate in addressing some of the central issues of our time. Most important of all, it is for his awareness and advocacy of the relevance of critical scholarship in advancing the interests of the working people toward a genuinely egalitarian future social order that Al will always be remembered.

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About the Editor

Berch Berberoglu is Professor and Chairman of the Department of Sociology at the University of Nevada, Reno, where he has been teaching since 1977.

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His latest books, *An Introduction to Classical and Contemporary Social Theory* (New York: General Hall, 1993) and *The Labor Process and Control of Labor: The Changing Nature of Work Relations in the Late Twentieth Century* (New York: Praeger, 1993) make important contributions to social theory and the sociology of labor.

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Contents

Preface and Acknowledgments

About the Editor

About the Contributors

Introduction

1. **Class Structure and Class Struggle in Capitalist Society 13**
Yow-Suen Sen and Alvin Y. So
2. **Increasing Class Polarization in the United States: The Growth of Wealth and Income Inequality 27**
Jerry S. Kloby
3. **Surplus Value and Profits: The Exploitation of Labor 43**
Victor Perlo
4. **The Concentration of Economic Power in the United States 66**
Howard J. Sherman
5. **The Modern Corporation: Ownership, Control, and Recent Trends in the U.S. Corporate Structure 79**
Julia D. Fox
6. **New Approaches to the Problems of U.S. Labor 92**
Jerry Lembcke
7. **The Nature and Forms of Alienation in Capitalist Society 101**
David Schweitzer
8. **The Origins and Development of the Capitalist State 117**
Berch Berberoglu
9. **Education and the Struggle Against Inequality 130**
Roslyn Arlin Mickelson and Stephen Samuel Smith
10. **Class, Race, and Health Care in the United States 148**
Vicente Navarro
11. **Aging, Health Care, and Public Policy 157**
Barbara G. Brents

12. Urban Social Problems in the United States: Issues in Urban Political Economy 175
Robert E. Parker
13. The Class Nature of Poverty in America 193
Martha E. Gimenez
14. Racism and Capitalism in the United States 204
Victor Perlo
15. Race, Poverty, Crime and Powerlessness in America's Inner Cities 218
Bernard D. Headley
16. Women's Realities, Women's Choices: An Introduction to Theories of Women's Oppression 228
Elaine Enarson
17. Working Class Women and the Women's Movement 247
Judy R. Aulette and Walda Katz Fishman
18. Capitalism, Uneven Development, and Ecological Crisis 256
James O'Connor
19. Imperialism, Capital Accumulation, and Class Struggle in the Third World 265
Berch Berberoglu
20. Social Movements and Social Change: The Dynamics of Social Transformation 281
Ted G. Goertzel
-
- Index 291*

Introduction

Berch Berberoglu

More than a century ago the great figures of classical social theory—Durkheim, Weber, and Marx—developed an analysis of society in a period of profound change and transformation that affected practically all aspects of social life. The ideas set forth by these theorists, who provided varied explanations of the nature and dynamics of the transition to the newly emergent social order in Europe and elsewhere in the world, in time came to form the foundations of modern sociological theory.

Today, some one hundred years later, we find ourselves in the midst of a similarly decisive period of great change challenging the modern social order at its very foundations—a period associated with the crisis of contemporary monopoly capitalist society.

The crisis of modern capitalism, now unfolding on an unprecedented scale and magnitude as we approach the 21st century, has become especially deep and all-pervasive at its current global nucleus, the United States, which, ever since its post-World War II hegemony over the world political economy, has become the center of the global capitalist system, hence the very focus of the crisis of world capitalism. It is in response to this developing crisis of the advanced monopoly capitalist social order and the problems it has generated, that more and more sociologists have come to develop alternative, critical perspectives in order to analyze and critique the dominant supportive theories of contemporary capitalist society and thus expose the inner logic of the prevailing social order that has led us to the resultant crises and conflicts that we face in our society today.

Beginning with C. Wright Mills's indictment of establishment sociology in the 1950s and informed by the works of Marx and other theorists providing an all-round critique of capitalist society, a new generation of critical sociologists emerging from the civil-rights, anti-war and free-speech movements of the 1960s began to provide a variety of alternative perspectives in sociology that took center stage in the discipline during this earlier period of turmoil and change in society and the discipline itself.

Al Szymanski and other insurgent sociologists on university campuses across the United States played a central role and were instrumental in the formation and development of an

alternative critical approach to the study of capitalist society and its transformation into an egalitarian social order that is in line with the interests and aspirations of the great masses of the working people. Organized around the journal *The Insurgent Sociologist*, in which Szymanski played a leading role, the promise of such critical and committed scholarship in sociology were carried forward at the University of Oregon during the 1970s and 1980s. In the late 1980s, the journal—now renamed *Critical Sociology*—continued to serve as a rallying point for a growing number of critical sociologists in the discipline and helped establish a solid foundation for critical modes of analysis in sociology, with a promise of growing even further in the decade of the 1990s. Supported by similar efforts elsewhere in North America—at SUNY Binghamton, Rutgers, UC Berkeley, Wisconsin, UCLA, Central Michigan, McMaster, Toronto and numerous other universities—critical sociology spread out to every corner of the academic world and became established as a genuine alternative to mainstream sociology during this period.

Looking at contemporary U.S. society and other societies around the world from the angle of the working class and other laboring peoples throughout the world, this new generation of critical scholars—envisioning a society without exploitation, oppression, and domination of one class, race, sex, or state by another—helped provide the tools of analysis for the critical study of social issues and social problems that confront contemporary capitalist society.

In the period up to the present, there has developed a variety of approaches to the critical study of society that are as varied in their emphasis on different issues and problems and focus of study as they are in their method of analysis. Ranging from the class-analysis approach, to power-structure research, to feminist studies, to critical theory, all of these alternative critical approaches are, in one way or another, influenced by and developed in the context of the critique of contemporary capitalist society provided by Marxist sociology espoused in different ways by the proponents of this emergent sociological tradition formed and developed during the past two and a half decades. Thanks to all these efforts by scholars committed to a critical understanding of society and social relations, there has developed a rich body of critical literature on a variety of issues confronting our society.

This book was conceived and undertaken in the spirit of advancing such critical perspectives in the discipline by introducing to a new generation of college students the important work being done by a growing number of critical sociologists. The twenty essays included in this book, written by scholars from a variety of critical perspectives, introduce readers to some of the very best scholarship now being produced by critical sociologists around the world. Together, they provide much insight into the inner workings of contemporary capitalism in the United States today.

The first essay by Yow-Suen Sen and Alvin Y. So begins with a discussion on the concept of class and class relations, defined as social-economic relations of ownership and exploitation in the sphere of production. Formulated in this way, the fundamental classes of capitalist society, argue the authors, are always in conflict because of the structural contradictions built into the sphere of capitalist production. As a result, conflict between the fundamental classes, they argue, is unavoidable and can never be eliminated under contemporary capitalism, although it can sometimes be regulated, reduced in intensity, and displaced during a period of economic

expansion. The goal of class analysis, then, they argue, is to draw the class structure map so as to locate the fundamental source of conflict, to delineate the major cleavages, and to understand the pattern of political struggles.

Examining the nature of class structure and its transformation in contemporary capitalism, Sen and So point out that advanced capitalist societies continue to be hierarchical class societies: at the top there is a tiny capitalist class which owns enormous amount of productive assets; at the bottom there is a working class majority which experiences exploitation, alienation, and unemployment; and finally, there is a changing composition of the middle classes in-between, with the shrinkage of the old middle class and the expansion of the new middle class.

The essay concludes by examining the contours of class struggle in contemporary capitalism. We are reminded that, since the fundamental structural contradiction between capital and labor remains intact, there is no shortage of class struggles in advanced capitalist societies. In the late twentieth century, however, capital is on the offensive, argue the authors, because of the decline of the U.S. economy and its relative decline in the world economy. The working class is attacked both at the workplace and at the level of the state. This "new class war" against labor, argue Sen and So, has effectively taken away many of the benefits that the working class achieved through decades of struggle. With the rapid expansion of the underclass, as a result, the general condition of the working class is increasingly deteriorating, leading to misery and deprivation among a growing number of workers.

The central argument of this first, opening essay is that class analysis is highly relevant—indeed, it is *central*—to a critical understanding of the pertinent economic and political issues in contemporary capitalism. Sociologists, urge the authors, will gain much by bringing class analysis back into their research; otherwise, the gulf between the realities of class and sociologists' ability to understand these realities will widen as capitalism moves toward the 21st century.

One aspect of material well-being is wealth; another is income. Both of these indicators of social location are related and inform the depth of class divisions in society. In his essay on wealth and income inequality in the United States during the past two decades, Jerry Kloby provides a large amount of data and shows that those at the highest levels in the American class system have increased their wealth and income substantially, while those lower down have struggled, not always successfully, to maintain their position.

An important finding of this study is that both income and wealth in America is extremely concentrated. In 1991, the poorest fifth received 4.5 percent of family income while the richest fifth received 44.2 percent. Thus, an average family in the highest fifth received about ten times as much—and in the top 5 percent more than fifteen times as much—yearly income as did an average family in the lowest fifth. The overall income trends show that the top 5 percent and the top 1 percent increased their income substantially from 1977 to 1988, while the lowest 80 percent of all families, on the average, had real incomes in 1991 which were lower than they were in 1977. In terms of wealth, the richest 1 percent of families held 42 percent of the nation's net wealth—53 percent if home ownership is excluded. Moreover, the top ten percent of families owned 78 percent of real estate, 89 percent of corporate stock, 90 percent of bonds, and 94

percent of net business assets. Thus, the picture that emerges with regard to both income and wealth is one of extreme concentration.

Kloby's conclusions are clear: wealth and income inequality are the twin causes of increasing class polarization in America today. What these, in essence, represent is a power struggle over what will be produced and who shall reap the benefits. It is a struggle which has been relatively one sided for nearly two decades, Kloby points out, but in the end the inequality which has been produced may become the engine for the development of class consciousness among an increasing number of dispossessed workers who may come to play a pivotal role in the future transformation of American society.

Examining the sources of inequality under capitalism, Victor Perlo's essay focuses on the most important aspect of class relations in capitalist society that constitutes the very foundation of the system itself—the exploitation of wage labor. Explaining the labor theory of value developed by Marx in a clear and concise way, Perlo examines the nature and extent of the exploitation of labor in the United States in great detail over an extended period. Utilizing U.S. Census Bureau and other government data on wages, profits, value-added, and other dimensions of the production of surplus value, he goes on to show that the rate of exploitation of the working class in the United States has been rising over time, from 96% in the mid-19th century to 150% in the first half of the 20th century to 302% in the late 20th century! This means that today workers receive in wages less than one-quarter of the total value they create—the remaining three-quarters going to the capitalists.

Arguing that the exploitation of labor is at the root of the class struggle between labor and capital, Perlo provides an outline of the historic working class struggles over the distribution of the value created by labor and shows how capitalists are the prime beneficiaries of this exploitation while the workers' share, including their real wages, benefits, and overall condition, have been declining. Perlo concludes his essay by providing a detailed account of rising profits and profits of control, involving lavish lifestyles, luxury, and extravagance for the rich and the super-rich millionaires and billionaires living off the labor of the working class, while the workers themselves more and more sink into poverty, unemployment, homelessness, and destitution—a situation which is bound to lead to increased class struggles as these contradictions intensify.

The monopoly structure of the U.S. economy is next taken up by Howard Sherman who shows the effects of monopoly control—high prices, enormous profits, increasing concentration and centralization of capital, and global domination by the transnationals. He argues that monopoly has resulted from internal growth of corporations and from mergers. Sherman points out that there has been three major waves of mergers in U.S. history: the first wave of mergers took place in 1890–1910, consisting of *horizontal* mergers with competitors; the second wave was in the 1920s and 1930s, consisting of *vertical* mergers with suppliers and retailers; and the third wave was in 1965 to the present, consisting of *conglomerate* mergers of completely different firms. The result has been an extremely concentrated U.S. industrial structure: each industry is dominated by 3 or 4 giants, who are themselves usually part of conglomerates, and a few hundred firms control most of the wealth and economic power of the United States.

Sherman argues that monopoly power is the inevitable result of technological progress under our present economic system. Technology makes larger and larger units efficient and corporations merge in order to become more powerful and make more profit. As a result, prices are no longer set by a competitive interplay of supply and demand; rather, they are set by monopoly power as high as the traffic will bear. Moreover, monopoly firms are responsible for a high degree of waste, including the non-use of patents for cheaper goods, restriction of supply and employment, destabilization of small firms, vast expenditures on advertising, and increased pollution. In addition, monopoly power, he contends, has been responsible for the phenomenon of rising prices during recessions in the face of falling demand; such power allows firms to raise prices if they feel that they will maximize profit by doing so.

It should be emphasized that monopoly power is now international in scope, stresses Sherman, and that many of the giant firms are transnational, with control of various types of enterprises in many countries. They can shift their capital very rapidly from one country to another to find the lowest wage rates, the best profits, and the best tax situation. Thus, many U.S. firms now do much of their production abroad, as the top 300 U.S. firms earn 40 percent of their profits abroad.

Next, Julia Fox takes a closer look at the nature of the modern corporation and provides us some insights into the dynamics and contradictions of the U.S. corporate structure. After a careful analysis and critique of managerialism as a theory of the modern corporation, she examines the debates on the nature of ownership and control and the dynamics of this process through a reassessment of managerialism in the light of the recent trends in the U.S. economy and corporate structure since the early 1980s. This is done within the framework of a critique of the broader capitalist political economy.

Focusing on the pattern of debt-driven mergers and acquisitions that occurred in the 1980s and the close connection between the state and the capitalist class, Fox argues that such developments have resulted in growing corporate instability, higher levels of corporate debt, and increasing financial speculation, leading to an overall instability of the system. However, despite this instability, the logic of capital accumulation has remained intact, as the rate of exploitation and profit maximization has continued to grow. Thus, in this stage of capitalist development, Fox concludes, the modern corporation continues to be a class-controlled unit of capital which operates within the broader systemic logic of capitalism.

The problems of U.S. labor in its attempts to organize and struggle against capital are next taken up by Jerry Lembcke, who examines a number of critical issues that confront workers in the United States. These include: plant closings, decline in union membership, drop in living standards, automation and deskilling, level of class consciousness and political organization, and the role of the family, unions, and other mediating forces in the formation and transformation of labor and the labor process. Lembcke places these issues within the context of the capitalist political economy and offers an alternative, class-capacities approach to labor studies that captures the nature and role of labor in the class structure. Adopting such an approach, Lembcke opts for an analysis that understands class capacity as a relational phenomena that