

Undergraduate essay example: Submitted for MANG1020: Ideas that Shaped the Business World: Government and Society

Social Class

Despite the term social class only became widely used after Karl Marx's publications in the 19th century – the terms previously used were hierarchy or ranks –, the idea of social classes has been around for millennia. Max Weber in his three-component theory of stratification divides society based on 3 main factors (Giddens, 1971):

- Class (intended as economic class, or wealth);
- Status;
- Power.

Social classes will be formed based on these criteria. Society is commonly divided in 3 main strata (BBC, 2013, par.1):

- Upper;
- Middle;
- Lower.

This classification has been further modified and from a recent survey it appears there are 7 strata now (BBC, 2013, par.2). Nonetheless, that was the original thought. Karl Marx preferred to divide society in 2 strata (Andrew, 1983):

- Bourgeoisie, or class who owns the means of production, or capitalist;
- Proletariat, or the working class.

A social class is cluster of people who share approximately the same wealth, same status – education, cultural background – and the same power – usually power is inherited, so it is not easy to access. It does not matter whether it is mainly based on power –Marx's stratification – or on more factors, social classes exist. Pierre Bourdieu argues that in a continuum it is hard to find a clear-cut, hence social classes are purely theoretical (Bourdieu, 1987). Nonetheless, Aristotle in Ancient Greece and also the ancient Egyptian¹ empire had a class

¹ Appendix 1

stratification based on status and power, and they were not just theoretical (Dos Santos, 1970). If you belonged to a class, it was hard to move from it. Elitist have always tended to group amongst themselves, exploiting the workforce to enrich themselves, leaving the workers in their miserable conditions, increasing the gap,

² Appendix 1

both economic and cultural. This happened back in Egypt, throughout history with feudalism in the Middle Ages, happened in Tsarist Russia² and happens today in India. Social classes have survived through the times, and even in our western society of “equal opportunities”, social classes still live, they are just not as evident/definitive as they were in the past perhaps.

Social classes have shaped the business world in the sense that they have made any economic activity more organized. The upper class, the one that Marx would define Bourgeoisie and the one having high wealth, high power and high status – in Weber’s terms – would be on top of the command chain. They own the means of production, they don’t work, they are the capitalists who make the economy work with their investments (Llewellyn, 2014). Both the middle class and the lower class are included in the proletariat in Marxist terms, but they have different characteristics, hence different tasks in the work place. The middle class is often referred to as the bourgeoisie, but we cannot mistake that for Marx’s definition of bourgeoisie. The middle class bourgeoisie is made up of educated/ cultured people, who will often be in charge of production lines in factories, or will be sole traders – doctors, merchants, bankers (Llewellyn, 2014). Despite their limited proportion, they will have taken up most of the jobs which require an education. The lower class was usually made up of farmers/ peasants or factory workers. They have little or no education, so they will conduct tasks that require mainly physical work (Llewellyn, 2014). It is fascinating when we flip the question and ask how has the economic activity shaped our conception of social classes? Not many changes happen to the upper class. Major opportunities can arise, and there is the chance for the lower and middle class to climb up the metaphorical “social ladder”. This major opportunity in the recent past has been the industrial revolution. There was a mass movement from rural areas to urban areas, where wages were – slightly – higher, hence allowed people to move from lower – peasants – to lower-middle –factory-workers –, then access education and keep

² Appendix 2

climbing the ladder (Lewellyn, 2014). The industrial revolution – economic activity – created new strata, hence shaped our conception of social classes.

Karl Marx has notoriously identified 2 main classes; a “class in itself” – formed by capitalists – and a “class against capital” – formed by the proletariat (Andrew 1983). Cohen’s view of economic struggle bringing together a class would explain why society is so profit-driven nowadays³. He completely disregards the political/ cultural/ educational values which bring together a class. Thompson has an opposing view, stating that common experiences in the work place bring together a class, not just their economic situation⁴. Nonetheless, society is based on money, and just like in an organizational structure, no one appreciates being at the bottom⁵. Social mobility is the phenomenon created consecutively, for which people tend to move up the “social ladder”, striving for success, despite their current social position. To measure social mobility is to analyze the relationship between parents and children’ income (Social Mobility). Lower income gap between strata implies higher social mobility⁶. Social mobility – as a consequence of our profit driven society – is the force shaping the business and economic activity. Economists argue this is not a fair view of what happens in society (Schuman 2013). In fact, pupils from higher social classes, even if less skilled, are 35% more likely to earn more than brighter pupils from lower classes ([SMCPC] 2015). Higher classes have created a so-called “glass floor” for their descendants. Nonetheless, pupils coming from lower social classes – hence lower income families – still have chances of making it to the upper class⁷. Success – in terms of income, social position and responsibility – is what will shape and shake the always more static concept of social classes. Individuals in lower classes nowadays are there due to slightly different

³ *Cohen asserts that “a person’s class is established by nothing but his objective place in the network of ownership relations, however difficult may be to identify such places neatly. His consciousness, culture and politics do not enter the definition of his class position” (Andrew 1983)*

⁴ *E.P. Thompson “class is constituted by a form of conflictive behaviours generated primarily but not exclusively by common experiences in the production process” (Andrew 1983)*

⁶ Appendix 7

⁷ Appendices 3-4-5 (Reeves)

opportunities given, but also due to their lower level of skills – it can also be due to other factors such as race⁸, unfortunately.

In conclusion, no matter what definition they are given, by whom or however many people think they are purely theoretical, social classes existed and still exist today. They have shaped how the workforce was organized in any economic activity, but at the same time economic activity shaped the concept of social classes. Success –in terms of profit and opportunities - will be the main factor in how we conceive social classes in the future, regardless of the barriers created by higher income families and workers. In our society of equal opportunities, is it possible for all individuals to be in the top stratum? The answer is no. All humans have a hierarchy of needs⁹. Without the basic needs being fulfilled, one cannot achieve their psychological needs. If nobody was to do the hard work in the farms/ factories/ mines, basic needs wouldn't be fulfilled and life as we know it would cease to exist.

⁸ Appendix 5 (Reeves)

⁹ Appendix 6

References:

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Appendix 1



In the social pyramid of ancient Egypt the pharaoh and those associated with divinity were at the top, and servants and slaves made up the bottom.

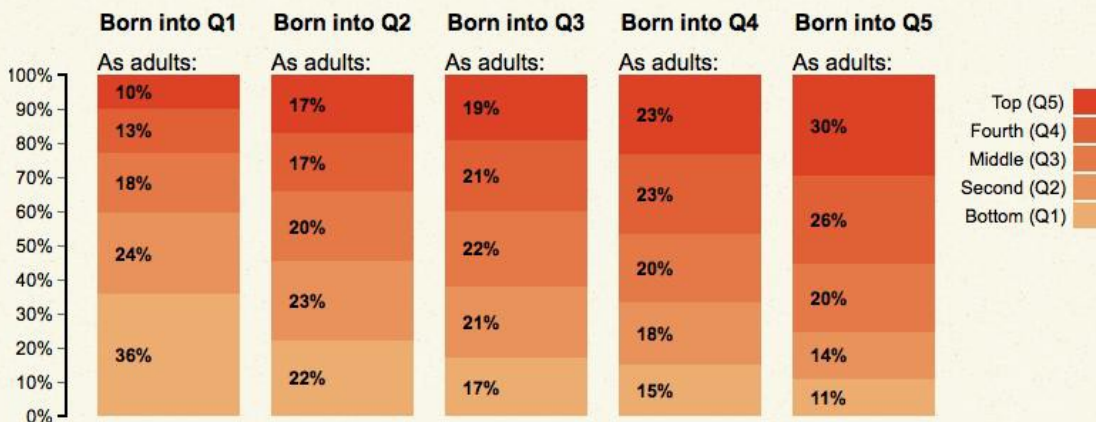
Appendix 2

Upper classes: Royalty, nobility, higher clergy: 12.5 per cent.
Middle classes: Merchants, bureaucrats, professionals: 1.5 per cent.
Working classes: Factory workers, artisans, soldiers, sailors: 4 per cent.
Peasants: Landed and landless farmers: 82 per cent.

Appendix 3

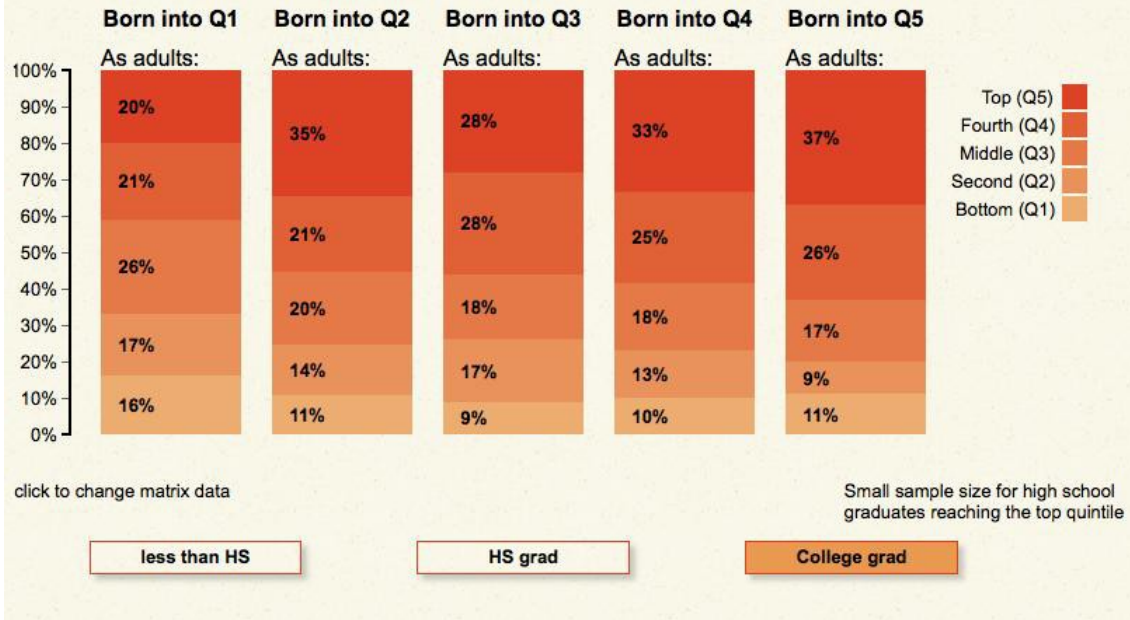
SOCIAL MOBILITY MATRIX: U.S. OVERALL

These matrices show the likelihood that a child born into a particular income quintile will occupy each quintile as an adult (at 40 years of age).



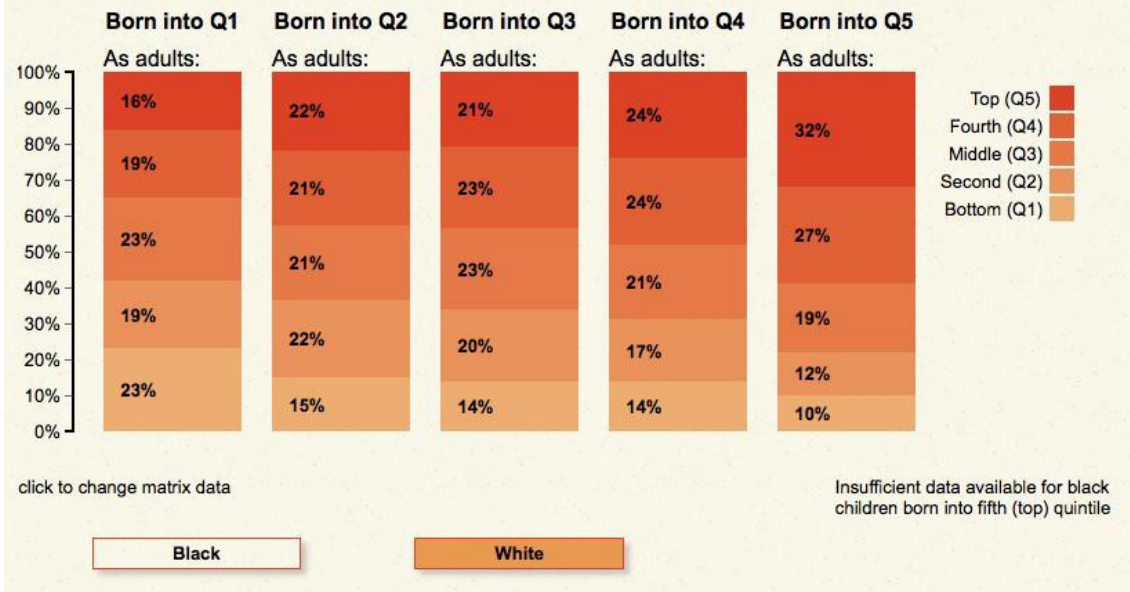
Appendix 4

SOCIAL MOBILITY MATRIX: EDUCATION

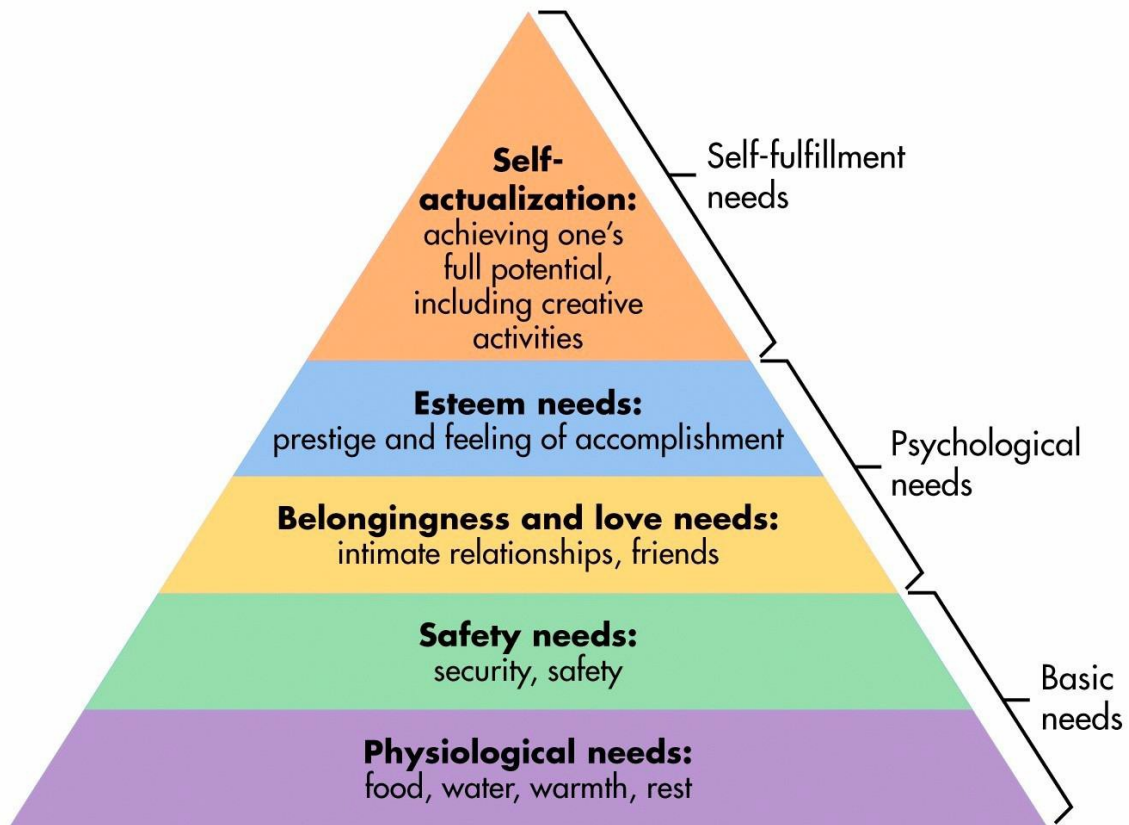


Appendix 5

SOCIAL MOBILITY MATRIX: RACE

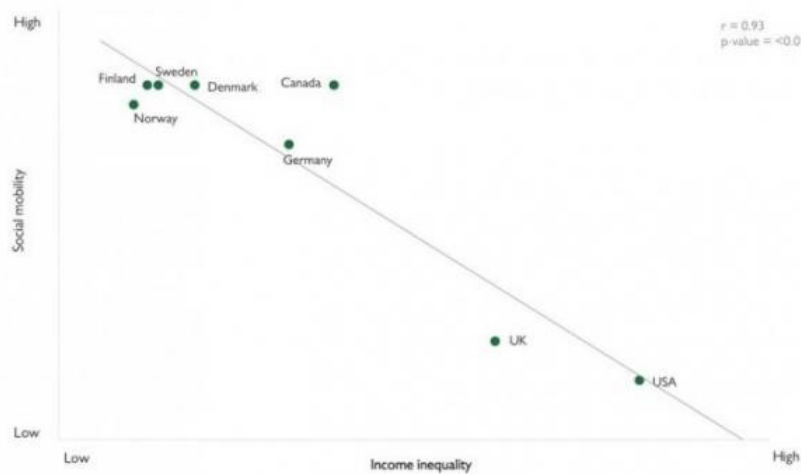


Appendix 6



Appendix 7

Social mobility is lower in more unequal countries



Source: Wilkinson & Pickett, *The Spirit Level* (2009)

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