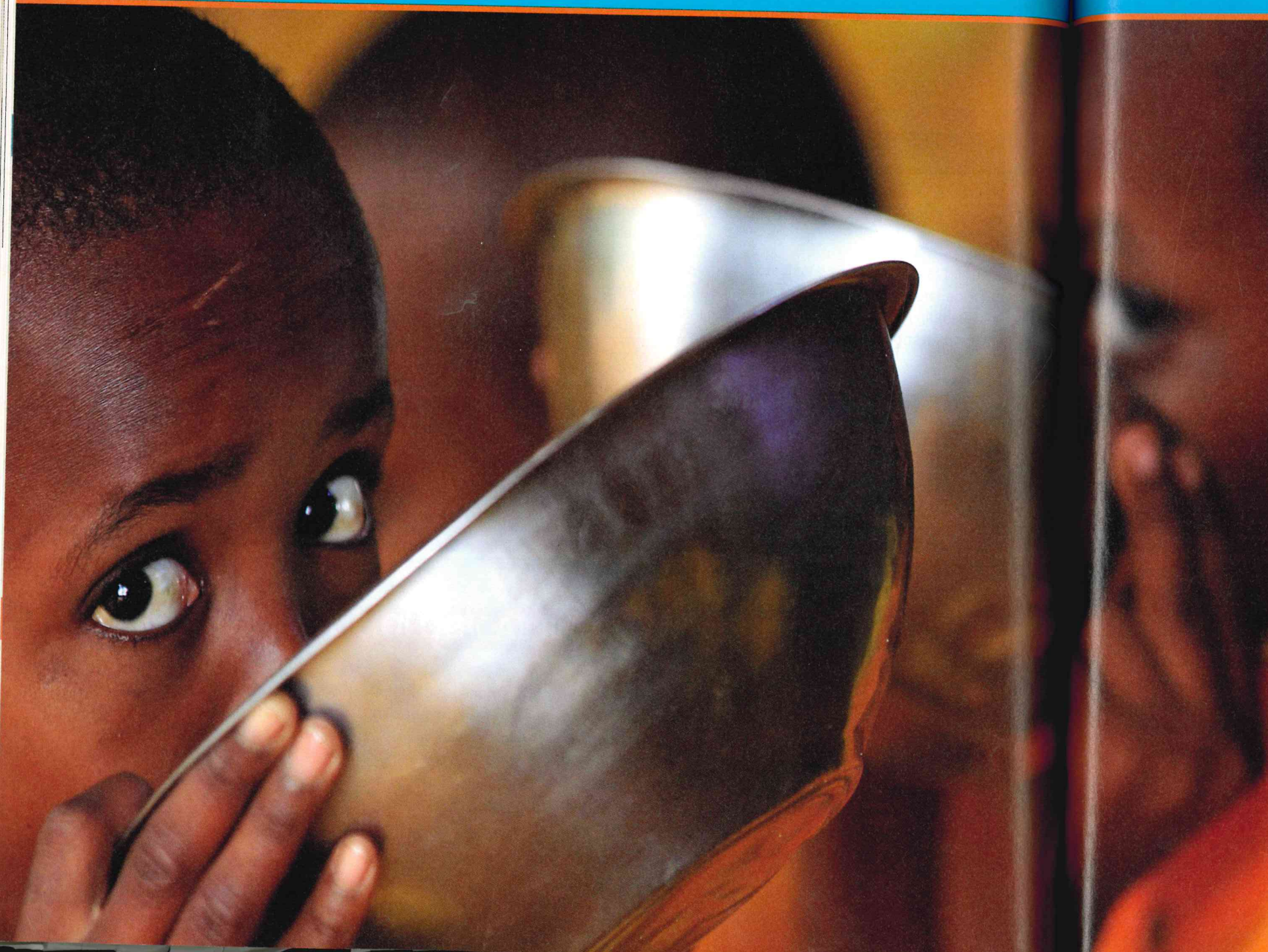


# SOCIAL STRATIFICATION

# 8



## LEARNING OBJECTIVES

- 1** Describe the dimensions of social stratification: social class, status, and power.
- 2** Identify the factors involved in economic inequality, including income, wealth, and poverty.
- 3** Identify the types of social mobility and the forces that help and hinder them.
- 4** Discuss structural/functional, conflict/critical, and inter/actionist theories of social stratification.
- 5** Explain the relationship between consumption and social stratification.
- 6** Describe the effects of globalization on social stratification.

These Somali boys are refugees near the Kenya-Somali border, where famine threatens several million with starvation while people in other countries have more food than they can eat. How does sociology explain the existence of income, wealth, and other inequalities that serve to create and maintain distinct social classes?



Mark Zuckerberg, who dropped out of Harvard when the social networking site he created in his dorm room quickly became one of the most successful companies in the world, was only 22 when Yahoo offered him \$900 million for Facebook. Now 29, Zuckerberg is said to be worth more than \$13 billion and is still Facebook's CEO and major shareholder.

An unprecedented shift is taking place in the global socioeconomic structure. Deregulation of global trade and advances in information technology have led to the emergence of a small, ultra-rich class of elite entrepreneurs and executives who think and operate very differently from their predecessors. Some believe these fortunate few have much in common with one another, such as their tightly focused emotional

**A small global class of ultra-rich elites is emerging at the top of the world's social hierarchy.**

and financial commitment to their business, their drive to create and innovate, and their staggering wealth and real or potential political influence. However, the elites don't always agree with each other, as the opposing views of two U.S. billionaires, investor Warren Buffett (CEO of

Berkshire Hathaway) and Charles G. Koch (CEO of Koch Industries), make clear. Buffett, the third-wealthiest person in the world, has publicly stated his belief that U.S. law should require him to pay more income tax than he does, while Koch, the sixth wealthiest, opposes the notion of higher taxes on the super-rich and believes in the power of private investments. But elites like these have little in common with anyone else. Do they constitute a brand-new social class?

Increasing concentrations of wealth, power, and status have given an elite few the power to ascend to the very highest levels of the global system of social stratification. The norms, tastes, and beliefs they share have been shaped more by a global than a local culture. Many achieved their successes through risk-taking and hard work, rather than by being born into elite positions. They are fiercely driven and sometimes oblivious to the socioeconomic problems of the middle and lower classes of their home countries. Some observers worry that the elites' wealth allows them access to an unprecedented amount of social and political power that might be wielded with narrow self-interest.

As you read the following chapter, think about your own position in our stratified society. And—just for fun—imagine how having billions of dollars would affect your views of those below you in the social scale. •

We often hear that the world is unfair. This is generally taken to mean that a relatively small number of people have way too much, while most of the rest, especially us, have far too little. In the United States, this unfairness is made abundantly clear when we see or read news reports about the excesses of the super-rich, such as multimillion-dollar bonuses, private jets, and mansions worth tens of millions of dollars. At the other extreme, the gap is just as clear when we encounter homeless people begging on street corners and at turn lanes on heavily traveled roads.

What is it that some people have, or are thought to have, and others lack? The most obvious answer is money and that which money buys. However, **social stratification** involves hierarchical differences not only in economic positions but also in other important areas such as status, or social honor, and power. Social stratification has a profound effect on how monetary and nonmonetary resources are distributed in American society and around the globe.

**DIMENSIONS OF SOCIAL STRATIFICATION**

Any sociological discussion of stratification draws on an important set of dimensions derived from the work of the great German social theorist Max Weber ([1921] 1968; Bendix and Lipset 1966; Ultee 2007a, 2007b). These three dimensions are social class, status, and power.

**SOCIAL CLASS**

One's economic position in the stratification system, especially one's occupation, defines one's **social class**. A person's social class position strongly determines and reflects his or her income and wealth. Those who rank close to one another in wealth and income can be said to be members of the same social class. For example, Bill Gates and Warren Buffett belong to one social class; the janitor in your university building and the mechanic who fixes your car at the corner gas station belong to another. Terms often

**social stratification** Hierarchical differences and inequalities in economic positions, as well as in other important areas, especially political power and status or social honor.

**social class** One's economic position in the stratification system, especially one's occupation, which strongly determines and reflects one's income and wealth.

used to describe a person's social class are *upper class* (e.g., large-scale entrepreneurs and investors); *middle class* (e.g., professionals such as nurses and teachers, veterinarians, air traffic controllers, travel agents, and firefighters); *working class* (e.g., manual, clerical, and service workers); and *lower class* (e.g., part-time workers and the unemployed). Figure 8.1 illustrates the relationships among occupation, income, and social class in the United States. Its teardrop shape represents the percentage of Americans in each class; there are substantially more people in the working and lower classes than there are in the upper class. As we will soon see, the United States is even more stratified than Figure 8.1 suggests.

As discussed in Chapter 2, Karl Marx had a different conception of social class than Weber. To Marx, social class was defined by ownership of the *means of production*, or the resources necessary for production to take place, such as factories, machines, tools, and raw materials. Those who owned the means of production were the *capitalists*, and they stood at the pinnacle of the stratification system. Members of the *proletariat* lacked the means of production. Therefore, they had to sell their labor time to the capitalists in order to work and be productive. This created a hierarchal stratification system, with the capitalists on top and the proletariat standing far lower in the hierarchy. This constituted a class system in the sense that the capitalists kept the vast majority of profits for themselves, had higher incomes, and accumulated great wealth. In contrast, the capitalists barely paid the proletariat enough to survive. Thus, the proletariat found it impossible to accumulate wealth.

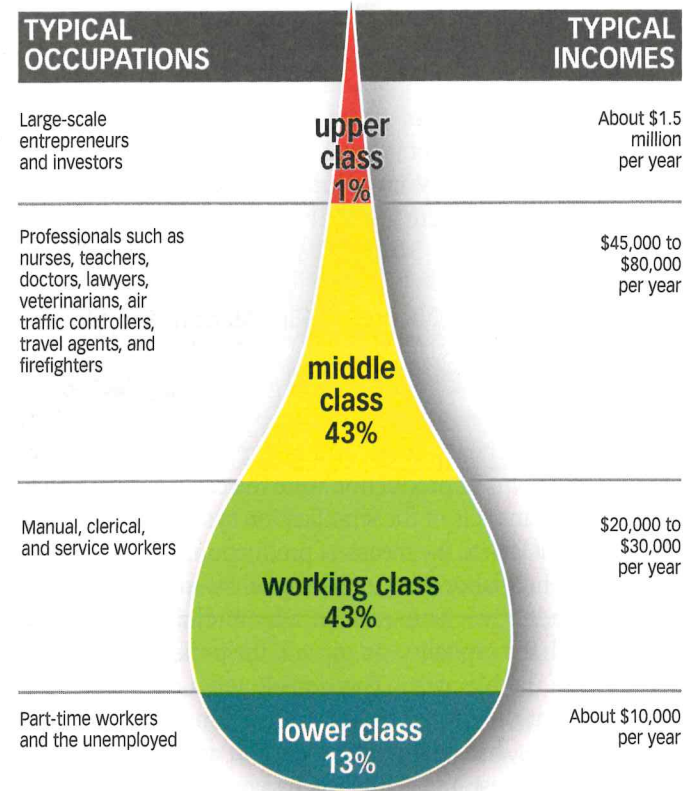
While Marx's conception of social class is still useful, changes in the economic system have made it less relevant today. For example, it is now much harder to argue that capitalists are defined by, and gain their position in the stratification system from, their ownership of the means of production. Such capitalists have come to be replaced by corporations, whose stocks and bonds are owned by thousands, hundreds of thousands, or even millions of shareholders and bondholders. The people who stand at the pinnacle of the stratification system today own a disproportionate number of these stocks and bonds. They do not own, at least not directly, the means of production such as factories. They may also hold positions at or near the top of the corporations, but again, those positions do not give those who hold them ownership of the means of production.

Today, members of the proletariat still occupy lower-level positions in these corporations, they still must sell their labor time for access to the means of production, and



Incomes of the Top 1%

**FIGURE 8.1 • Social Classes, Occupations, and Incomes in the United States**



SOURCE: Adapted from Gilbert, D. L. (2011). *The American class structure in an age of growing inequality*. Thousand Oaks, CA: Pine Forge Press.

they continue to be relatively poorly paid. However, they may be minor stockholders in these corporations through, for example, 401(k) or profit-sharing retirement plans. Still, there is a vast economic difference between those who occupy high-level positions in corporations and/or own large blocks of stocks and those at the bottom who own only a few shares. Compare Bill Gates's wealth, estimated at about \$50 billion, to the near-total absence of wealth among the lower-level, often temporary, employees of Microsoft. We will deal with this further when we discuss the growing income and wealth gaps in the United States.

### STATUS

The second dimension of the stratification system, *status*, relates to the prestige attached to one's positions within society. The existence and importance of this dimension demonstrate that factors other than those associated with money are considered valuable in society. For example, in a 2007 Harris Poll of 1,010 adult Americans, *firefighter* was ranked as the most prestigious occupation even though the pay is modest.

### POWER

A third dimension of social stratification is **power**, the ability to get others to do what you want them to do, even if it is against their will. Those who have a great deal of power rank high in the stratification system, while those with little or no power are arrayed near the bottom. This is clearest in the case of politics where, for example, the president of the United States ranks very high in power, while millions of ordinary voters have comparatively little political power. Still lower on the political power scale are disenfranchised citizens, such as convicted felons, and noncitizens, including undocumented immigrants. The plight of foreign domestic workers in Kuwait, described in the "Globalization" box on page 257, is an extreme but telling example of the consequences of powerlessness.

Power, of course, is not restricted to the political system but also exists in many other institutions. Thus, top officials in large corporations have greater power than workers, religious leaders have more power than parishioners, and those who head households are more powerful than their spouses or children (Collins 1975).

Greater income is generally associated with more power, but there are exceptions to this rule. In the late 2000s, an increasing number of media stories focused on the phenomenon of "breadwinner wives," or "alpha wives"—women who earn more than their husbands (Mundy 2012; Roberts 2010). As shown in Figure 8.2, only 4 percent of wives in 1970 had an income greater than that of their husbands, but by 2013, 40 percent of wives earned more than their husbands.

In spite of their greater income, these women may not have greater power in the marital relationship and in many cases are compelled to be content sharing power with their husbands (Cherlin 2010). In fact, many high-earning women have great difficulty even finding a mate, and they face disapproval for breaking gender norms. Expectations regarding gender, and other types of minority status, can clearly complicate power relations.

### CONSISTENCY/INCONSISTENCY ACROSS DIMENSIONS OF STRATIFICATION

Some people rank similarly across all three dimensions of social stratification. For example, a mid-level supervisor within a corporation is likely to earn a middle-class income,

**power** The ability to get others to do what you want them to do, even if it is against their will.

to enjoy middling prestige, and to have some power. This is known as **status consistency**, or *crystallization status* (Lenski 1954). However, it is likely that many people will be characterized by **status inconsistency**. That is, their position on one dimension of stratification will be different, perhaps very different, from their positions on the other dimensions of stratification (Stryker and Macke 1978; Wang, Elder, and Spence 2012). For example, famous movie stars, musicians, and athletes are likely to earn huge sums of money—they are high in social class—but they are not likely to have much power. While they often acquire great wealth, stars (such as Lindsay Lohan) with well-publicized legal and moral issues (such as drug addiction) are likely to have little status.

### ASK YOURSELF

Is your position in the social stratification system characterized by inconsistency? That is, do you rank higher on one dimension of stratification than on the others? Are the positions of others you know well inconsistent in the same way?

### ECONOMIC INEQUALITY

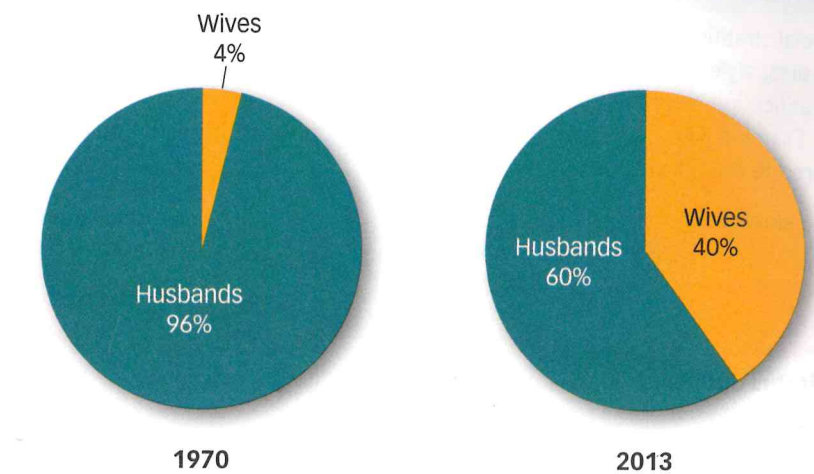
A major concern in the sociological study of stratification is **inequality**, a condition whereby some positions in society yield a great deal of money, status, and power while others yield little, if any, of these. While other bases of stratification exist, the system of stratification in the United States, and in much of the contemporary world, is based largely on money. Money is not inherently valuable and desirable.

**status consistency** The occupation of similar positions in the stratification system across the dimensions of class, status, and power; people with status consistency rank high, medium, or low on all three dimensions.

**status inconsistency** The occupation of different positions on different dimensions of the stratification system.

**inequality** The fact that some positions in society yield a great deal of money, status, and power while others yield little, if any, of these.

**FIGURE 8.2 • Who Earns More, Wives or Husbands? 1970 and 2013**



SOURCE: Reprinted with permission from "New Economics of Marriage: The Rise of Wives," Richard Fry and D'Vera Cohn, Pew Research Center, January 19, 2010.

It only has these characteristics when it is so defined in a money economy (Simmel [1907] 1978). In such an economy, the occupational structure is characterized by a payment system in which those in higher-level positions, and who perform well in these positions, are rewarded with larger paychecks. The use of money as a reward makes money seem valuable to people. They come to desire it for itself as well as for what it will buy.

Today we rely on paper-fabric blends, metal coins, and, more often, digital totals to represent wealth. However,

### CHECKPOINT 8.1 THE DIMENSIONS OF SOCIAL STRATIFICATION

Social class	A person's economic position in the social stratification system, reflecting and determined by income and wealth: upper class, middle class, working class, lower class.
Status	The prestige attached to a person's position within society.
Power	The ability to get others to do what you want them to, even if against their will.

other kinds of economies existed before the development of the money economy and continue to exist, at least to some degree, in, for example, northern Ecuador (Ferraro 2011). One is a barter economy in which people exchange goods with one another without money mediating the exchange. In such economies, there is little or no need for money. There are ways of recognizing people's relative contributions other than the size of their bankrolls. It is worth noting



Inequality in the United States

## ACTIVE SOCIOLOGY

### What Does Your Facebook Page Say about You?

Social stratification is visible in all parts of society. Even when we don't realize it, we are "doing" stratification through the language, desires, style, and leisure activities we choose. As our lives become more visible on social media sites, we can even more easily see that stratification is apparent in everyday life.

Examine your own Facebook timeline as well as those of three or four of your friends and record your observations below. Be prepared to discuss and share them in class.

1. How do your status updates, photos, likes, and comments illustrate your position in the stratification system? Why?

	How they illustrate my stratification position	Why
Status updates		
Photos		
Likes		
Comments		

2. How do your friends' timelines illustrate their position in the stratification system?

	How they illustrate their stratification position	Why
Status updates		
Photos		
Likes		
Comments		

3. Is social stratification discussed openly among any of you? If yes, how? If not, why not?
4. What do you think your posts and those of others say about the display of social class and economic inequality in the United States?

that even within advanced money economies, we find a great deal of barter. Thus, it is not unusual for people to exchange services, or to do a service in exchange for some product. This is often done, illegally, to avoid the taxes that would likely need to be paid if money did change hands. Of course, there are also transactions—such as illegal drug transactions or payment for under-the-table labor—where money changes hands without any records that might attract the attention of the Internal Revenue Service (IRS).

French social theorist Jean Baudrillard ([1976] 1993) criticized the money economy and the economic exchange that lies at its base. He argued instead for an economy and a society characterized by symbolic exchange. In **symbolic exchange**, people swap all sorts of things, but most importantly, the process of exchange is valued in itself and for the human relationships involved. It is *not* valued because

of the economic gains—the money—that may be derived from it. A greater contribution to the group's well-being may be rewarded with higher ranking in the group rather than with more money. In such a system, you might acquire a high-level position by helping others more than they help you and by gaining recognition for your helpfulness.

**symbolic exchange** A process whereby people swap all sorts of things in a setting where the process of exchange is valued in itself and for the human relationships involved and not because of the economic gains—the money—that may be derived from it.

**income** The amount of money a person earns in a given year from a job, a business, or various types of assets and investments.

## GLOBALIZATION

### Domestic Workers in Kuwait

Kuwait is a small Persian Gulf nation-state with vast oil reserves. Because oil demands a high price on the global market, Kuwait is exceptionally wealthy. Its GDP has been greater than that of the United States and nearly all of Europe. The country's wealth conveys many advantages to Kuwaiti citizens, who enjoy state-funded education, health care, and retirement income. They are also likely to have virtually guaranteed employment, usually in the oil industry or in oil-related investment banking. Wealth allows Kuwaitis to hire domestic workers, mostly women, from many relatively poor countries, including the Philippines, Sri Lanka, Nepal, and Indonesia (Fahim 2010). Attracted to Kuwait by higher wages, these workers are able to send substantial remittances back to their home countries, but power relationships between Kuwaiti employers and domestic workers are starkly unequal (Fernandez 2010).



A maid sweeps the front of her employers' house in Kuwait. Laws to protect such workers have been slow in coming. Why?

A family might pay \$2,000 to an agency to bring workers to Kuwait, but once there, the workers are under the control of their Kuwaiti employer-sponsors. While some are treated well, a large number have complained of sexual and/or physical abuse, not being paid their wages, and restrictions on their movements by, for example, withholding of their passports. Some domestics have claimed that during the feast of Ramadan, they have been forced to work especially hard and for very long hours. In one case, a maid said that she was allowed to sleep only two hours a night. She finally left when her employer asked her to wash windows at 3 a.m. However, these problems are not restricted to Ramadan. In one case, a Sri Lankan maid escaped what she claimed had been 13 years of imprisonment, without pay, by her Kuwaiti employer. In another, it was

reported that a Filipino maid was tortured and killed. Her employers then took her body to the desert and ran over it with a car to make her death appear to be an accident. Finally, one Filipino domestic sought help from her agency because of an abusive family. When family members found out, they threw her out a third-floor window, breaking her back.

With few options, many domestics flee to their embassies for protection. They might sleep on the floor of the Nepalese embassy or be packed, 200 strong, into a hot room in the Philippines embassy, where they must sleep on their luggage.

With the acceleration of globalization, large numbers of poor people are traveling far from home in hopes of finding work or, in many cases, being trafficked illegally.

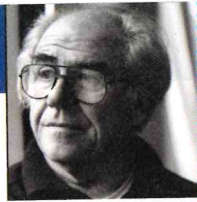
In many places in the world, including the United States, they have few, if any, rights and are subject to a wide range of abuses. Without rights, legal representation, or money, they are often powerless. They exist at the bottom of often very highly stratified societies.

#### Think About It

What accounts for the huge disparity in power between wealthy employers and the immigrants who work as their household help? Why do agencies that try to help these employees tend to focus on individual cases and not on the wider problem of power inequality? Would addressing power issues be more effective in the long run? Why or why not?

## BIOGRAPHICAL bits

### Jean Baudrillard (French, 1929–2007)



One of the most famous social theorists of the last century, Jean Baudrillard, earned his doctorate in sociology at the University of Paris–Nanterre and also taught there. Later in his career, however, he moved away from sociology and refused to identify with any specific discipline. By the 1980s, he had become an international celebrity on the basis of a number of important books and a series of provocative, even outrageous, ideas (such as those in *The Gulf War Did Not Take Place*). While his work did not focus on social stratification, his idea of “symbolic exchange” laid the basis for thinking about an alternative to the system of stratification in capitalist society.

#### RESEARCH INTERESTS

- The sociology of consumption
- Economic exchange and the money economy

#### SELECTED PUBLICATIONS

- *The Consumer Society* ([1970] 1998)
- *Symbolic Exchange and Death* ([1976] 1993)
- *Simulations* (1983)

#### KEY IDEAS & CONTRIBUTIONS

- Symbolic (rather than economic) exchange allows us to value the exchange process and the human relationships in it, rather than the economic gains that may derive from it

Still, while other bases are possible, money remains at the root of the United States stratification system. Money can take the form of income or wealth. **Income** is the amount of money a person earns from a job, a business, or returns on various types of assets (e.g., real estate rents) and investments (e.g., dividends on stocks and bonds). Income is generally measured year by year. For example, you might have an income of \$25,000 per year. **Wealth**, on the other hand, is the total amount of a person’s financial assets and other properties less the total of various kinds of debts, or liabilities. Assets include such things as savings, investments, homes, and automobiles, while examples of debts include home mortgages, student loans, car loans, and amounts owed to credit card companies. If all your assets totaled \$100,000,

but you owed \$25,000, your wealth (or net worth) would amount to \$75,000.

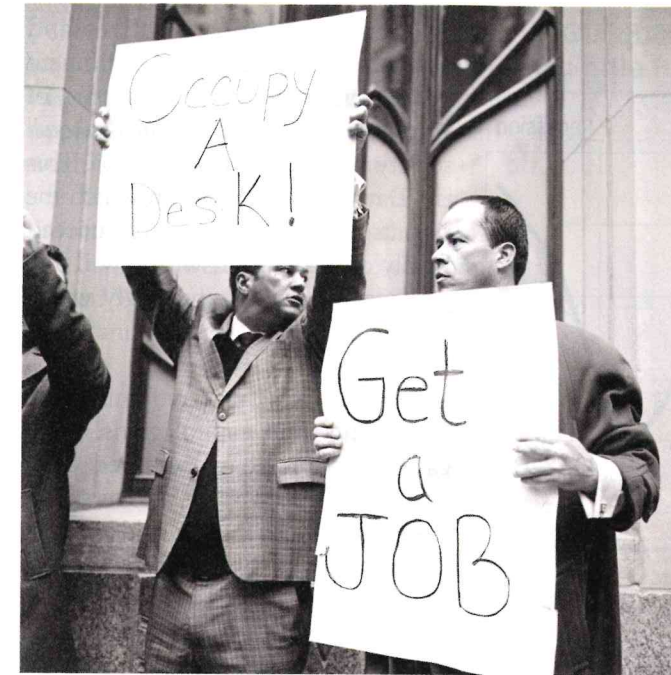
Wealth can be inherited from others, so that a person can be very wealthy and yet have a modest income. Many elderly widows and widowers find themselves in this position. Conversely, people can earn substantial incomes and not be very wealthy because, for example, they squander their money on expensive vacations or hobbies, or on alcohol or drugs.

## INCOME INEQUALITY

Sociologists are interested in inequality in status and power, but they tend to be most concerned about economic inequality. In many parts of the world, incomes became more equitable from the late 1920s until the 1970s. However, since the 1970s, there has been a substantial increase in income inequality in many countries, with a few individuals earning a great deal more and many earning little, if any, more. Even in the United States, which we historically and erroneously (Massey 2008) regard as an egalitarian society, the top 1 percent of Americans earned 23.5 percent of all income in 2007, up from 9 percent in 1979. The top 0.1 percent—yes, one tenth of a percent—earned 6 percent of the nation’s total income in 2007; this figure was only 2 percent in 1988 (Kocieniewski 2010).

Inequality became a hot political issue in 2011 with the release of government reports showing increasing inequality and poverty in the United States. This information was a major factor in the Occupy movement, which began near Wall Street in New York City on September 17, 2011 (Gamson and Sifry 2013). The main reason for the Occupy Wall Street movement is clear in the accompanying figures. The simple fact is that the average inflation-adjusted, after-tax family income of the top 1 percent of earners in the United States almost tripled between 1979 and 2007 (Congressional Budget Office 2011), as Figure 8.3 shows. Others in the top 20 percent (81st to 99th percentile) did well, but not nearly as well, with an increase of 65 percent in income. At the other end of the spectrum, the income for those in the bottom fifth increased by only 18 percent. The 60 percent in the middle, those between the top 20 percent and the bottom 20 percent, saw an increase of slightly less than 40 percent in income. Another way of looking at income inequality is to realize that the top 20 percent of the population had over 50 percent of all income—more than the bottom 80 percent—whereas the bottom 20 percent had only 5 percent of all income—down from 7 percent in 1979. The middle 60 percent had the rest of the income (over 40 percent), but their percentage of income

**wealth** The total amount of a person’s assets less the total of various kinds of debts.



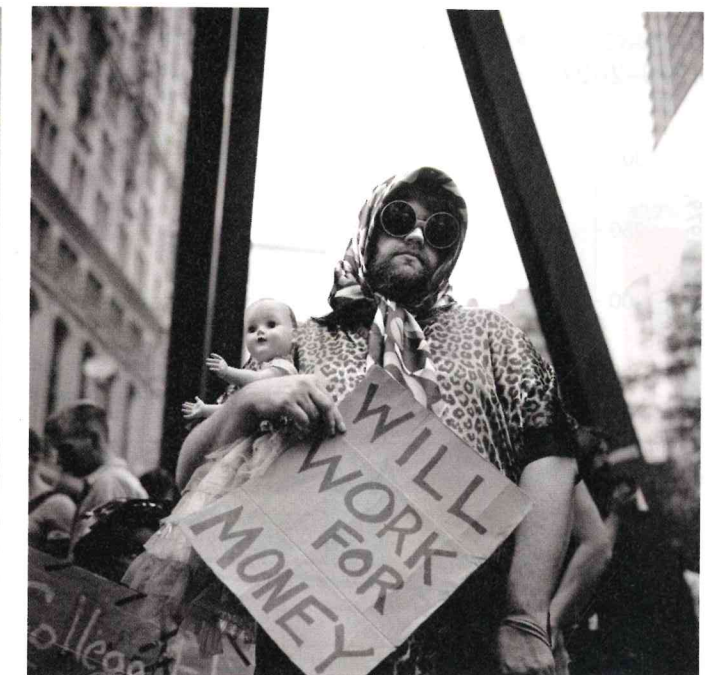
These groups represent opposing views of the Occupy Wall Street movement’s philosophy. What motivates each group?

had declined slightly from 1979. Between 2005 and 2007, the after-tax income of the top 20 percent was greater than the income for everyone else (the other 80 percent).

Several broad reasons have been put forth to explain recent increases in income inequality:

- *Deindustrialization.* The decline of American industry, as well as of industry in other developed countries, has led to the loss of many high-paying industrial jobs (Bluestone and Harrison 1984; Kollmeyer and Pichler 2013). Many who achieved middle-class status and relatively high incomes through such jobs have been reduced to lower-paying service jobs in, for example, the fast-food and tourism industries, or have become unemployed. The latter have found themselves without income and in many cases out of the work world completely. In addition, deindustrialization is related to the decline in the power of labor unions, which had helped many industrial workers obtain high pay and generous benefits.

- *Technological advances.* The highest-paying new jobs in recent years have been created in high-tech, high-skill areas such as information technology (IT). Many Americans have not received the training necessary to shift from industrial to high-tech work. In fact, there is an insufficient supply of people adequately trained to handle such highly skilled work. As a result, income inequality due to technological advances may be a short-term problem that will be rectified as more people are trained for such jobs. However, many people, including former industrial workers, may lack the education needed to acquire the necessary skills. They also may be too tied down by other



obligations at this point in their lives to move to new job locations. And they may be too tainted by their long-term unemployment even to be considered for the new jobs. Furthermore, there may not be nearly enough of these high-tech jobs to make up for the lost industrial jobs.

- *Political climate.* A variety of political decisions help explain the increase in income inequality (Levy 1999). There is, for example, political opposition in the United States to raising the federal minimum wage, currently \$7.25 per hour, or to raising it very much. In his 2013 inaugural address, Barack Obama pushed for an increase in the minimum wage to \$9.00 an hour, but the proposal was given little chance of succeeding. In real dollars, the minimum wage has actually declined in recent years. Those who hold minimum-wage jobs have lost ground to those in higher-paying occupations.

A series of more recent and narrower changes have also contributed to the huge and growing income gap:

- Tax cuts made in the early years of President George W. Bush’s administration favored the rich and disadvantaged most others. Going further back in time, the Congressional Budget Office contended that federal taxes were doing less to equalize income in 2007 than they had in 1979. That is, taxes had grown less progressive.



Jean Baudrillard

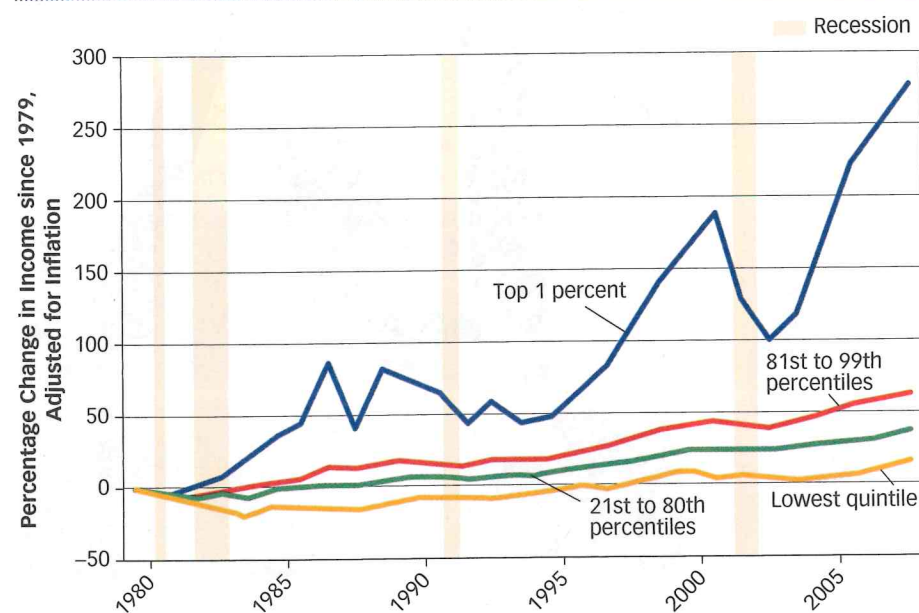


Causes of Inequality



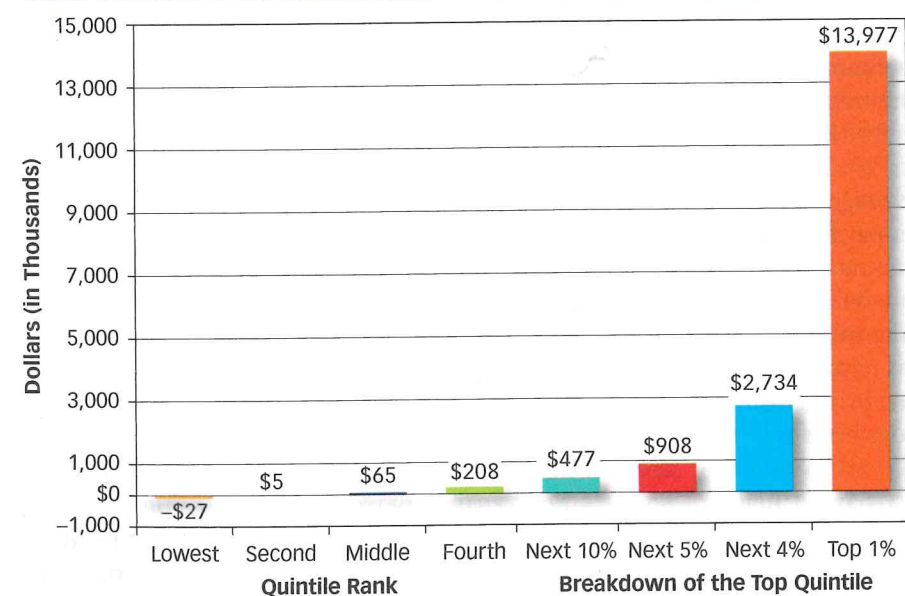
Occupy Movement

**FIGURE 8.3 • Average Income Growth by Income Group, 1979–2007**



SOURCE: From A CBO Study: Trends in the Distribution of Household Income Between 1979 and 2007. October 2011. The Congress of the United States, Congressional Budget Office, Figure 2, page 3.

**FIGURE 8.4 • Average Wealth of Americans by Quintile Rank, 2009**



SOURCE: From Federal Reserve Board.

• Federal benefits are doing less to address inequality. For example, Social Security payments go to the increasing number of older Americans, irrespective of their income and their economic status. Like clockwork, older wealthy Americans get their Social Security payments every month.

Inequality in wealth tends to be much greater than income inequality, as you can see in Figure 8.4. Like income inequality, wealth inequality has tended to increase in recent years in the United States and other western countries (Mishel and Bivens 2011; Wilterdink 2007). Over 80 percent of the wealth gain in the United States

• Incomes for executives and superstars in sports and entertainment have skyrocketed. This is part of what has been called a *winner-take-all* society (Frank and Cook 1995). This is a Darwinian economy in which the rich use their advantages to succeed wildly and the poor, with few if any advantages, grow increasingly worse off (Frank 2011).

• Tax policies have shifted to favor long-term capital gains. Such gains involve income derived from investments in capital such as real estate, stocks, and bonds that are held for more than one year. Although the capital-gains tax increased slightly in 2013, at the maximum, long-term capital gains are still taxed at only slightly more than half the top rate for ordinary income. This is a huge advantage for the after-tax income of mainly the rich, although farmers have also benefited to some degree. The super-rich, who own a disproportionate share of the capital, reap the vast majority of the benefits of the low capital-gains tax.

### ASK YOURSELF

Which of the proposed reasons for the steady increase in income inequality do you think has had the greatest impact on those you know? What about in society at large? Why?

### WEALTH INEQUALITY

As unfair as income inequality may seem, the greatest disparities in society—the greatest differences between the haves and the have-nots—are found not in disparities in income but rather in the enormous differences in wealth in society.

between 1983 and 2009 went to the wealthiest 5 percent of the population. In contrast, the poorest 60 percent of the population saw a 7.5-percent decline in wealth. (See Figure 8.5.)

Those with great wealth live a lifestyle beyond the wildest dreams of those who live on the lowest rungs of the economic ladder. Wealth brings with it a wide range of advantages:

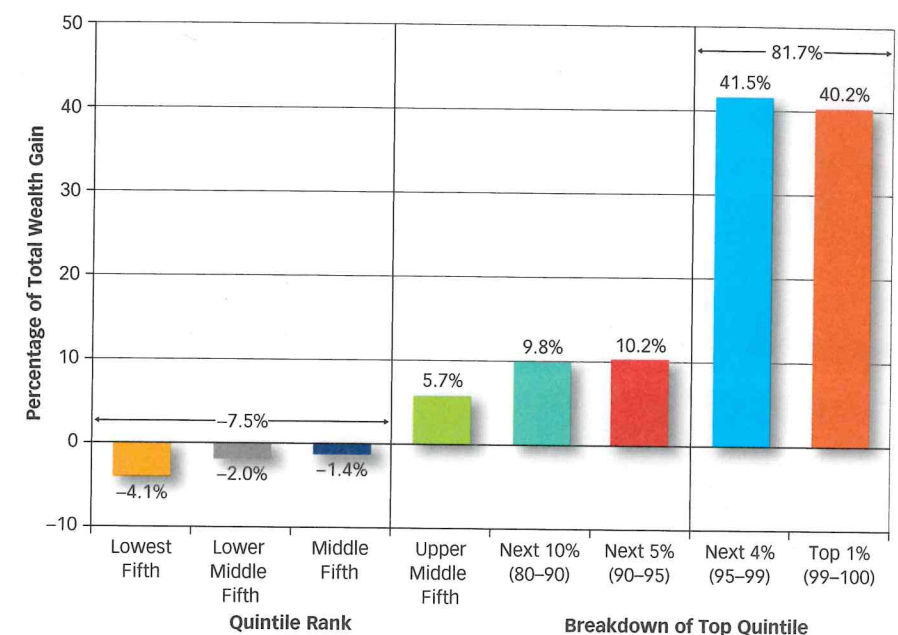
- It can be invested in stocks, bonds, real estate, and the like to yield greater income and to generate even greater wealth.
- It can be used to purchase material comforts of all sorts: large homes, vacation retreats, luxury cars, and custom-tailored clothes, as well as the services of housekeepers, gardeners, mechanics, personal trainers, and so forth.
- It can afford a high level of financial security, allowing the wealthy, if they wish, to retire at an early age with the means to live well for the rest of their lives.
- It purchases far more freedom and autonomy than less wealthy individuals can acquire. An example would be the freedom to leave unsatisfactory employment without worrying about how the bills will be paid.

These are just some of the ways that wealth benefits individuals.

### Status, Power, and Wealth

Perhaps of greatest importance is the fact that wealth not only accords a high-level position on one dimension of stratification—social class—but is also an important factor in gaining similar positions on the other dimensions of stratification—status and power. Those who have great wealth tend to rank high in social class because class is, to a considerable degree, defined economically and wealth is a key indicator of it. Those with great wealth are also generally able to buy or to otherwise acquire that which gives them high status and great power. There are exceptions, however, to the link between great wealth and high social class. An example is those who retain a high social ranking even though they have lost much or most of their wealth over time. Another exception is the *nouveau riche*, whose inelegant tastes and behaviors may lead others

**FIGURE 8.5 • Share of Total Wealth Gain of Americans by Quintile Rank, 1983–2009**



SOURCE: Adapted from Occupy Wall Streeters Are Right about Skewed Economic Rewards in the United States, Lawrence Mishel and Josh Bivens, Economic Policy Institute Briefing Paper # 331, Figure L, p. 12.

in the upper class to refuse to accept them as members of their class. However, in general, those with great wealth are members of the upper class.

In terms of status, the wealthy can afford more and better-quality education. They can, for example, send their children to very expensive and highly exclusive prep schools and Ivy League universities. In some elite universities, being a “legacy”—the son or daughter of an elite who attended the same school—can increase the chances of gaining admission. This practice is sometimes called “affirmative action for the rich” (Kahlenberg 2010). At Princeton in 2009, for example, 41.7 percent of legacy applicants were admitted compared with 9.2 percent of nonlegacies. The wealthy can also purchase more of the trappings of high culture, such as subscriptions to box seats at the opera or multimillion-dollar paintings by famous artists. The wealthy can also achieve great recognition as philanthropists by, for example, attending \$1,000-a-ticket charity balls or even donating the money needed to build a new wing of a hospital.

Power over employees is a fact of life for wealthy individuals who own businesses or run other organizations. Their needs for financial, household, and personal services give the wealthy another source of power. They have the ability to direct the activities of many charities and civic groups. And if that weren’t enough, the wealthy can



In this political dynasty in the making are, second from left, George H. W. Bush, the 41st U.S. president, with his sons (l. to r.) Neil, Jeb (the former governor of Florida), George W. (the 43rd president), and Marvin.

buy more power by bribing political officials or making generous campaign contributions to favored politicians. Such contributions often give donors great behind-the-scenes power. In some cases, the wealthy choose to use their money to run for public office themselves; if successful, such families come to occupy positions that give them great power. These families can even become political dynasties, with two or more generations obtaining high political office. Joseph P. Kennedy earned large sums of money during the Depression and used it to become a powerful political figure. He used his money and his political influence to help get his sons elected: John F. Kennedy as president, Ted Kennedy as senator, and Bobby Kennedy as senator before he was assassinated while running for the presidency. Prescott Bush made his money on Wall Street and became a U.S. senator. His son, George H. W. Bush, became president of the United States, as did his grandson, George W. Bush.

The lifestyles that large amounts of money can buy are a source of interest and fascination for many people. In the 1980s, Robin Leach hosted a popular TV show called *Lifestyles of the Rich and Famous*. This show took viewers behind the scenes to explore the mansions of the elite. On a modern version of this show, MTV's *Cribs*, celebrity musicians and athletes show off their homes, pools, cars, and other trappings of wealth. Reality TV shows, such as Bravo's *Real Housewives* series and E!'s *Keeping Up With the Kardashians*, feature the daily lives of an elite group of the extremely wealthy. The fictionalized trials and tribulations of the elite are also prominent on nighttime dramas, such as *Gossip Girl* and *Desperate Housewives*.

These shows highlight the gap between the wealthy and everyone else. For example, many of the real-life elites do not know how to do things that seem commonplace to most of us, including pumping their own gasoline or waiting in line at the motor vehicles office for a driver's license. The prevalence of such entertainment suggests a deep curiosity about how people with a great deal of status, money, and power live.

### The Perpetuation of Wealth

One of the great advantages of the wealthy is their ability to maintain their social class across generations. Their ability to keep their wealth, if not expand it, often allows the members of the upper class to pass their wealth, and the upper-class position that goes with it, to their children. Financial mechanisms (for example, generation-

skipping trusts) have been devised that allow the wealthy to pass their wealth on not only to the next generation, but to many generations to come. Thus, wealth tends to be self-perpetuating over the long term.

The wealthy are able to perpetuate their wealth in large part because they have been able to use their money and influence to resist taxation systems designed to redistribute at least some of the wealth in society. For example, the wealthy have fought long and hard against the estate tax, which places a high tax on assets worth more than a certain amount (see below) that are left behind when they die. Many of the wealthy prefer to call the estate tax, in more negative terms, a "death tax."

The year 2010 was fascinating from this point of view because the estate tax law was allowed to expire, the result being that millionaires and billionaires who died that year paid *no* estate taxes. One particular beneficiary was the family of George Steinbrenner, the owner of the New York Yankees, who died that year with an estate estimated at slightly over a billion dollars. Even more extreme was the case of the much less well-known Dan Duncan, whose estate was estimated at about \$9 billion. The Steinbrenner and Duncan families saved hundreds of millions, perhaps billions, of dollars in taxes because these billionaires happened to die in 2010. The estate tax was renewed in 2011. In 2013, the estate tax exemption was set at a generous \$5.25 million per person rather than the \$3.5 million exemption in force in 2009. In other words, a single person pays *no estate tax* on the first \$5.25 million of her estate (the exemption is \$10.5 million for a married

## PUBLIC SOCIOLOGY

### Dalton Conley on Social Inequality

Dalton Conley is a true Renaissance man. Before he turned 40, he became a distinguished professor of sociology, chair of the sociology department at New York University, and dean of NYU's social sciences department. According to his website, Conley is studying transgenerational phenotypic plasticity and socially regulated genes and pursuing a doctorate in biology at the Center for Genomics and Systems Biology at NYU. He has published a well-known personal memoir, *Honky* (2001), about his experience of growing up as a white child in New York City projects. Among other things, the book focuses on the advantages he had over children of color growing up in the same environment. He has also authored very important articles in the major sociology journals, as well as influential books aimed at an academic audience. As a public sociologist, he has published numerous pieces in newspapers and other nonacademic media outlets.

In his many pieces for academic and public media, Conley has dealt with a wide range of issues, including urban poverty, the black-white wealth gap, the family as a social stratifier, the advantages of having a randomly selected college roommate, and corporate crime. His main area of interest, however, is inequality within and across generations. In addition, he writes about the relationships between inequality and siblings, race, physical appearance, and health and biology. Let's look at a sampling of insights to be derived from some of his journalistic work:

- In a 2012 essay in *The Chronicle Review* titled "Harvard by Lottery," Conley reveals what he calls one of higher education's dirty little secrets. That is,

"all that matters is being smart, savvy, or lucky enough to get into top institutions, regardless of where you end up enrolling." Since it doesn't matter which major university a student attends, he argues for a lottery system among students deemed eligible for admission to such a university. Such a system would, among other things, make where one attends college less important (as long as it is a "top" school). It would also reduce biases in student admission based on race, ethnicity, and social class. That, in turn, would lead in the long term to a reduction in stratification on those bases. As things now stand, socioeconomic background is playing an increasing role in college admissions, especially to elite schools. As a result, students from low-income families have far less chance to get into these schools. This, in turn, leads to less upward mobility for them and therefore to an even more stratified society.

- In a 2008 op-ed piece in the *New York Times* titled "Rich Man's Burden," Conley focuses on stratification among the most well-to-do members of society. He details how those near the top of the income hierarchy work more, more even than those on the bottom of the stratification hierarchy. The reason is that those in the top half of the stratification system are very conscious of those above them and the fact that the latter may be pulling further and further ahead of them. As a result, even though they are well off, those near the top tend to work harder and longer hours in order to try to keep up, or at least to keep the gap from growing wider.

- In a 2001 essay in *The Nation* titled "The Black-White Wealth Gap," Conley shows that while black-white *income* differences are important, the difference between the races in their total *wealth* (net worth) is even greater. At the time he wrote this essay, among families who earned less than \$15,000 in annual income, whites had an average net worth of \$10,000, whereas blacks' net worth was zero. In middle-class families earning \$40,000 a year, white families had a net worth of \$80,000, while for black families the total was about half that. Among the super-rich, only two black Americans were on the *Forbes* list of the 400 richest Americans. Today, there is only one black American—Oprah Winfrey—on that list. Winfrey's estimated net worth of \$2.7 billion places her only 130th on that list. It is clear that whites have had a number of advantages, such as long-term wealth, allowing assets to be passed down from one generation to the next. And blacks have had many disadvantages, including barriers to property accumulation, especially acquisition of that most important, albeit now tarnished, component of net worth: home ownership.

### Think About It

Do you agree with Dalton Conley that a lottery for admission to top colleges would help reduce inequality? Why or why not? Do you think a lottery system for other social advantages, such as high-paying jobs or homes in desirable neighborhoods, would help reduce inequality? Why or why not? What potential problems do you see with any of these lotteries?



Dalton Conley

couple). Beyond 2013, the exemption will increase in line with the rate of inflation.

Like having a great deal of wealth, a lack of wealth also tends to be self-perpetuating. Those who have little or no personal wealth can be fairly sure that their children, and generations beyond them, will also lack wealth. Of course there have been, and will be, many exceptions to this pattern, but in the main there is great consistency from generation to generation. This contradicts the Horatio Alger myth, which tells us that anyone can get ahead, or rise in the stratification system, through hard work and effort. The Horatio Alger myth is functional in that many people believe in it and continue to strive to get ahead (and some even do), often in the face of overwhelming barriers and odds. But it is also dysfunctional in that it tends to put all the burdens of achieving success on the shoulders of individuals. The vast majority of people are likely to fail and to blame themselves, rather than the unfairness of the highly stratified system, for their failures.

## POVERTY

Poverty and the many problems associated with it are of great concern both to sociologists and to society as a whole (Iceland 2007, 2012). Poverty is troubling for many reasons, most importantly for its negative effect on the lives of the poor themselves. Those suffering from poverty are likely to be in poor health and to have a lower life expectancy. More generally, poverty hurts the economy in various ways. The vibrancy of the working class is reduced because poverty adversely affects at least some employees and their ability to work. They may be less productive or lose more work time due to illness. Another example is that the level of consumption in society as a whole is reduced because of the inability of the poor to consume very much. Crime, social disorder, and revolution are more likely where poverty is widespread.

The great disparity between the rich and the poor is considered by many to be a moral problem, if not a moral crisis, for society as a whole. The poor are often seen as not doing what they should, or could, to raise themselves out of poverty. They are seen as disreputable, which makes them objects of moral censure by those who have succeeded in society (Damer 1974; Matza 1966). They may be blamed for the degradation of society. However, some see poverty as an entirely different kind of moral problem. They argue that the poor should be seen as the “victims” of a system that impoverishes them (Ryan 1976). The existence of large numbers of poor people in otherwise affluent societies is a “moral stain” on that society (Harvey 2007). Something about a society that allows so much poverty must be amiss.

## ASK YOURSELF

Do you believe the poor are victims? If so, of whom? Or do you believe the poor have chosen not to raise themselves from poverty? If so, what sociological factors would explain this choice?

## ANALYZING POVERTY

It may be tempting to blame the poor for the existence of poverty, but a sociological perspective notes the larger social forces that create and perpetuate poverty. To the sociologist, poverty persists for three basic reasons:

- Poverty is built into the capitalist system, and virtually all societies today—even China—have a capitalist economy. Capitalist businesses seek to maximize profits. They do so by keeping wages as low as possible and by hiring as few workers as possible. When business slows, they are likely to lay people off, thrusting most of them into poverty. It is in the interest of the capitalist system to have a large number of unemployed, and therefore poor, people. This population serves as what Marx called the “reserve army of the unemployed.” This is a readily available pool of people who can be drawn quickly into the labor force when business booms and more workers are needed. This reserve army also keeps existing workers in line and reluctant to demand much, if anything, from management.
- Competition among social classes encourages some elite groups of people to seek to enhance their economic position by limiting the ability of other groups even to maintain their economic positions. The elites do so by limiting the poor’s access to opportunities and resources such as those afforded by various welfare systems.
- Government actions to reduce poverty, or ameliorate its negative effects on people and society, are generally limited by groups of people who believe that the poor should make it on their own and not be afforded the aid of the government. They also believe that government aid reduces the incentives needed for people to do on their own what is needed to rise above the poverty line. These beliefs are fairly common among political conservatives.

There are two broad types of poverty:

- **Absolute poverty** is a measure of what people need in order to survive. No matter the standard for measuring

**absolute poverty** An absolute measure—such as the U.S. poverty line—that makes it clear what level of income people need in order to survive.

# GLOBALIZATION

## The Advantages of the Elite in Pakistan

As in any society, those at the top of the social hierarchy in Pakistan have great advantages. Pakistan, which has become increasingly integrated into the global economy in the last several decades, has experienced some growth but remains a highly unequal society (Shahbaz 2010). In fact, as its economy has grown, the country has experienced rising income inequality (Khan and Faridi 2008). According to the Pakistan Institute of Legislative Development and Transparency, some of the richest people in Pakistan are politicians. The average net worth of members of Parliament is nearly \$1 million; the richest member is worth in excess of \$37 million. Members of Parliament make the tax rules, and those rules tend to advantage them and to disadvantage others in society, especially the poor. Indeed, in Pakistan, as elsewhere, it is the poor and their taxes that subsidize the rich and go a long way toward supporting the government and its expenditures.

According to Pakistani rules, anyone earning above \$3,488 per year must pay income tax. However, it is estimated that while about 10 million Pakistanis *should* be paying income tax, because of a lack of law enforcement only about a quarter of that number do; only 2 percent of Pakistan’s 170 million people pay income tax. The result is that Pakistan ranks near the bottom of world societies in terms of revenue from taxes.

poverty, absolute poverty remains constant over time, although it is revised to take inflation into consideration. The United States, for instance, uses the poverty line (see below), based on income level, as the measure of absolute poverty. By contrast, level of consumption is used to determine poverty in the developing world, where income can be essentially nothing. Thus, absolute poverty might be defined in a developing nation as the consumption of goods valued at less than \$2 a day. While the poor in

One successful businessman who is also a member of Parliament tried to pay his taxes but claimed his payment was refused by tax collectors who did not want to rock the boat as far as the tax situation was concerned. His payment was finally—reluctantly—accepted after he wrote a letter to a senior official (Tavernise 2010).

A major advantage for the wealthy in Pakistan is the fact that there is no federal tax on agriculture. Even though about half of the country’s population works in that sector of the economy, it is the big landowners, including many government officials, who benefit the most from this tax law. Poor farmers and farmworkers earn too little to benefit much from this exclusion.

Another of the great advantages for Pakistan’s wealthiest citizens is a law passed in the 1990s that forbids authorities from raising questions about money transferred into Pakistan from abroad. Of course, it is mainly, if not completely, the rich who are able to engage in such transfers, especially large transfers, which often involve illegally obtained funds. For example, Pakistan is a significant transit area for drug trafficking from Afghanistan to global drug markets.

The wealthy also profit from tax-free goods that enter the country en route to Afghanistan, but never get there. For example, 50,000 tons of black tea were imported into Pakistan in 2009 to be sent on to Afghanistan, but “not a single cup of black tea was drunk in Afghanistan”

(Tavernise 2010: A9). Furthermore, since more than half of Pakistan’s economy is off the books—part of the “underground, or informal, economy” (Neuwirth 2011)—it is impossible to tax that part of the economy. Needless to say, much of the underground economy is dominated by the elites, and their profits from it are free of taxation.

As in many other locales, including the United States, much tax revenue in Pakistan comes not from income tax, but rather from sales tax. The problem is that a sales tax is a “regressive tax,” meaning that it falls hardest on those least able to pay it. As a result of the tax system, the wealthy in Pakistan can afford apartments in London, large homes, servants, expensive cars, chauffeurs, and manicures at luxurious spas. The poor in Pakistan, like the poor everywhere, are, well, poor. They are able to glimpse the lifestyle of the rich, to lust after it, and perhaps to grow angry about the great disparities in wealth and lifestyle. Such anger fuels resentment and ultimately protests and even some of the terrorism that plagues Pakistan.

### Think About It

How many different kinds of taxes does it seem Pakistan’s government is failing to collect, and from whom? Is this failure a bureaucratic weakness, or does a societal power imbalance account for it? What solutions might be possible?

the United States may be impoverished by some absolute standard and in some absolute sense, they are often much better off than the poor in most other places in the world.



Poverty





Those who lack the bare means of survival—food, clothing, and shelter—experience absolute poverty, although even this “absolute” standard varies from country to country. What does that variation tell us about global levels of stratification?

- **Relative poverty** is defined not by some objective standard but rather by the fact that some people, irrespective of income, are, or feel themselves to be, poor relative to others to whom they relate. Townsend (2010: 99) offers such a relative view when he argues that poverty occurs when “resources fall seriously short of the resources commanded by the average individual or family in the community in which they live.” Thus, even middle-class and some upper-class people can see themselves as poor in comparison with those around them, who have greater incomes and more of the trappings (such as bigger homes and more luxurious cars) that go with such incomes. While relative poverty is a reality, it is hard to feel much sympathy for the relatively poor when they are compared with those in absolute poverty.

### Poverty in the United States

While many sociologists adopt a more relativistic view of poverty, governments, including the U.S. government, tend to use an absolute measure. A **poverty line**, or threshold, in terms of income is set, and then the income of a household is compared with it. A household whose income falls below the threshold is considered poor. Poverty lines vary from country to country. In the United States, the Social Security Administration sets the poverty line. It is determined by multiplying the cost of what is deemed to be a nutritionally adequate food plan by three. This is because a family is assumed to spend a third of its budget on food. It is worth noting that many people criticize this calculation

for not considering other necessary expenses, such as childcare, housing, and transportation. The poverty line in 2012 for a family of four was a pretax income of \$23,050, and \$11,170 for a single adult. In 2010, over 15 percent of the U.S. population (46.2 million people) lived below the poverty line, and were therefore officially categorized as poor (DeNavas-Walt, Proctor, and Smith 2011). They represented about one-seventh of the U.S. population, the highest percentage since 1991.

Of course, millions who exist at or slightly above that line would also be considered poor by many people in society. There is talk in the wake of the lingering effects of the Great Recession that there should be more of a focus on the “near poor” (DeParle, Gebeloff, and Tavernise 2011). Those who have income that is less than 50 percent above the poverty line would be included in this category. Using this system, it is estimated that in 2011, 51 million

people would be considered near poor. When that number is combined with the number of the poor, there are almost 100 million Americans, nearly a third of the population, who are poor or very close to it. There is no question that poverty is a huge problem in the United States, but it is almost certainly far greater than we ever imagined.

Looking at the longer-term trends shown in Figure 8.6, we can see that there has been considerable variation in the number of people living in poverty from year to year since 1959. What is striking, however, is the sharp increase in poverty that coincided with the beginning of the Great Recession; 2 million more households were below the poverty line in 2011 as compared with 2009. Also worth noting is that while the poverty rate is still down dramatically from the 22.4 percent in 1959, there has been a significant uptick in recent years: 14.3 percent of the population were below the poverty line in 2009 compared with 15.0 percent in 2011. One indicator of the increasing level of poverty is the increase in the number of people on food stamps. At the beginning of 2010, 39 million people received food stamps; by the beginning of 2011, there

**relative poverty** The state of being or feeling to be, irrespective of income, poor relative to others.

**poverty line** The threshold, in terms of income, below which a household is considered poor.

were 44.2 million people receiving such aid—an increase of more than 5 million people in only 12 months (Murray 2011)!

As you might expect, given their disadvantages in income and wealth, minorities suffer disproportionately from poverty. While the poverty rate in 2010 for non-Hispanic whites was 9.9 percent, it was 12.5 percent for Asians—down significantly from 16.1 percent in the mid-1980s, but still higher than for non-Hispanic whites. Even more telling, the poverty rate was over 25 percent for both blacks (27.4 percent) and Hispanics (26.6 percent).

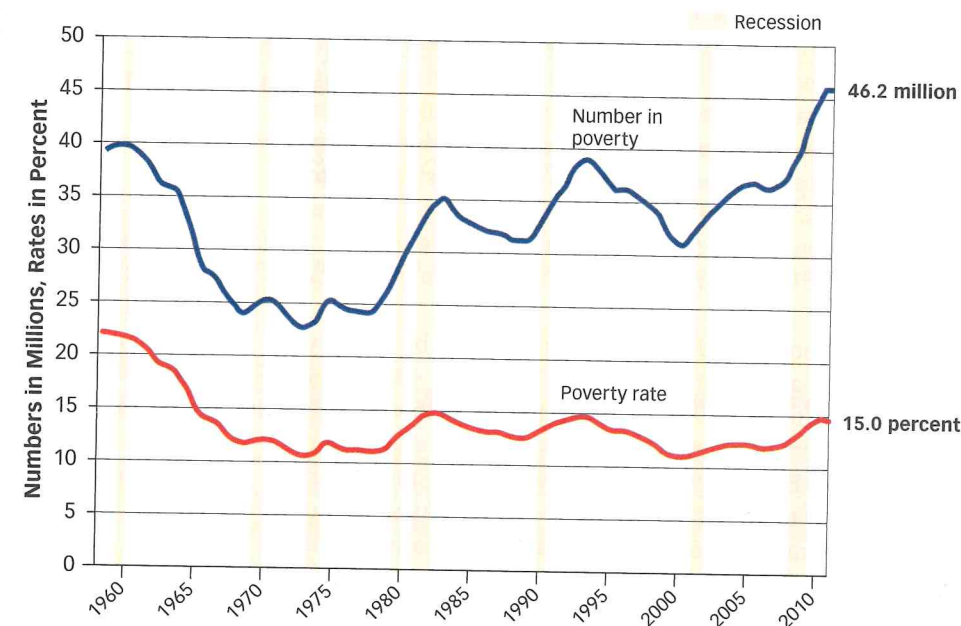
Figure 8.7 looks at poverty by family type. Three types of families are covered here: those headed by a married couple, those with a female householder and no husband present, and those with a male householder and no wife present. Families headed by females with no husband present have long had dramatically higher poverty rates than the other family types, and since 2007, poverty among these families has increased sharply. Meanwhile, among married-couple families, poverty rates have held steady over the long term. However, even among these families, there has been a slight increase in poverty since the recession.

One indication of poverty and its effect on the family is the increase in the number of families experiencing “doubling up.” Doubled-up families are those that include one additional adult who is over 18 years old and not in school, the householder, the spouse, or cohabiting with the householder. Between 2007 and 2011, there was a 10.7-percent increase in the number of doubled-up households. Further, there was a 25.5-percent increase during that period in 25- to 34-year-olds living with parents. The latter trend should be especially worrisome to many readers of this book.



How are poverty and social class related? Is poverty inevitable in a stratified society?

**FIGURE 8.6 • Poverty in the United States, 1959–2011**

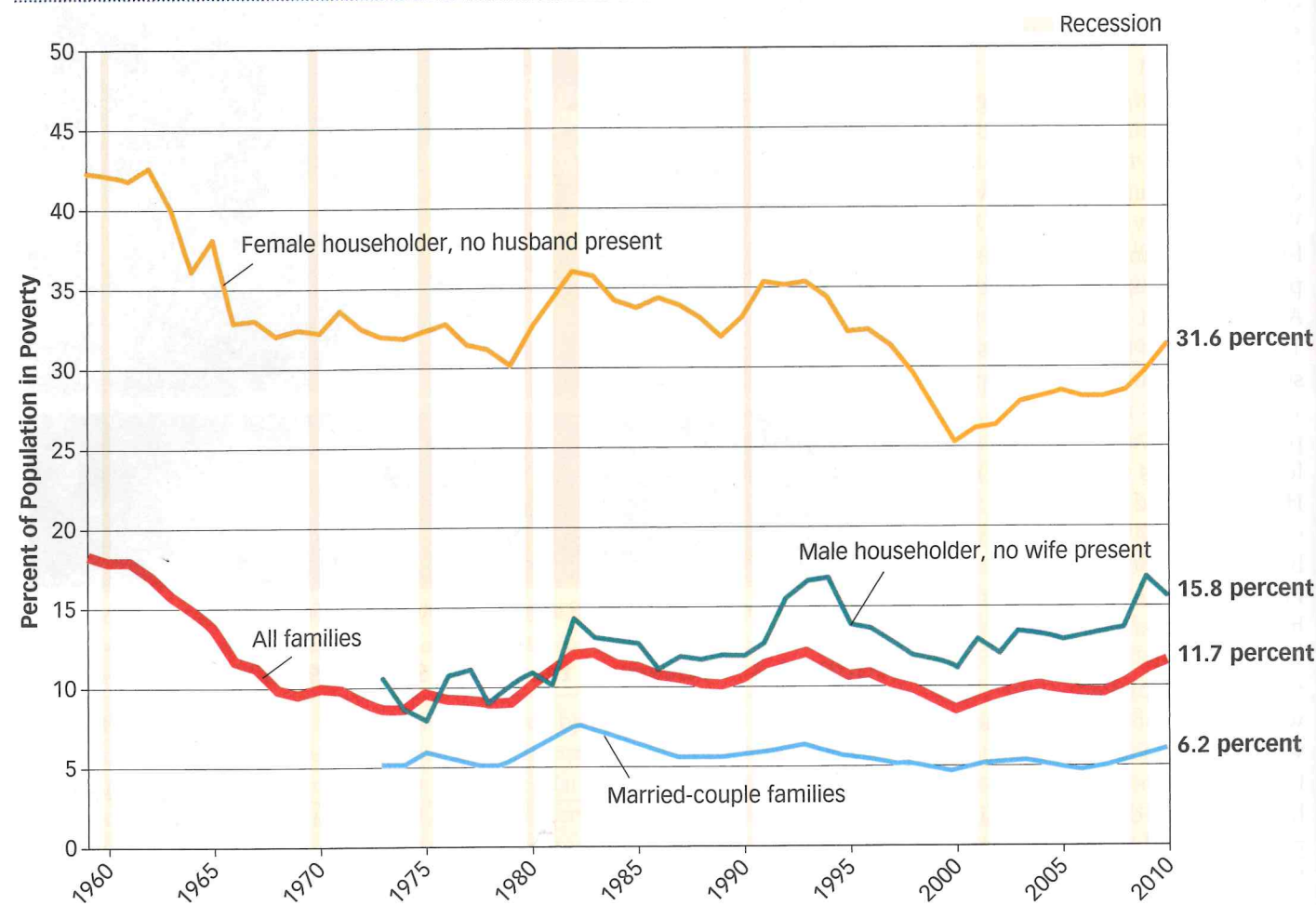


SOURCE: From DeNavas-Walt, Carmen, Bernadette D. Proctor, and Jessica C. Smith, U.S. Census Bureau, *Current Population Reports, Income, Poverty, and Health Insurance Coverage in the United States: 2010*, Fig. 4, p. 14. U.S. Government Printing Office, Washington, DC, 2011.

### The Feminization of Poverty

A central issue in the study of poverty is the degree to which women and children are overrepresented among the poor (Hamilton 2012; Hinze and Aliberti 2007; Morrow and Pells 2012). In 2010, 16.2 percent of American women were below the poverty line, whereas only 14.0 percent of

**FIGURE 8.7 • Poverty Rates in the United States by Family Type, 1959–2010**



SOURCE: From DeNavas-Walt, Carmen, Bernadette D. Proctor, and Jessica C. Smith, U.S. Census Bureau, Current Population Reports, *Income, Poverty, and Health Insurance Coverage in the United States: 2010*, Fig. 1, p. 8. U.S. Government Printing Office, Washington, DC, 2011.

men lived in poverty (U.S. Census Bureau 2011b). Poverty levels vary by age: Women between the ages of 45 and 64 are less likely to be poor than those 18 and below and 65 and above. Female poverty levels also vary based on race and ethnicity: Both black and Latino women are more than twice as likely to be poor as are white women. Also, as you have seen, female-headed households with no husband present have far higher rates of poverty than families headed by married couples.

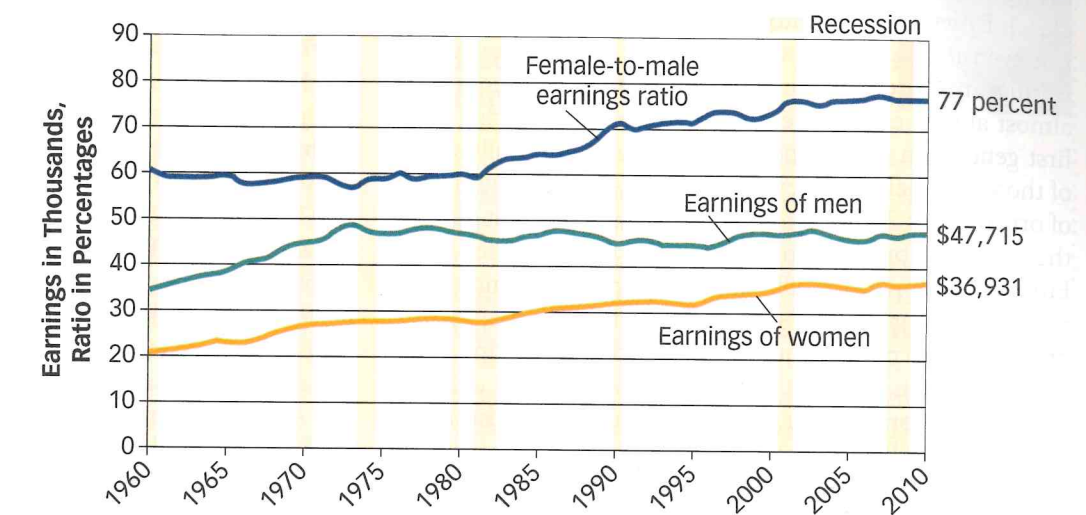
The “feminization of poverty,” first coined as a concept in 1978, means that those living in poverty are increasingly more likely to be women than men (Goldberg 2010; Pearce 1978). Although in recent years the improved position of women in the work world, and increases in women’s earnings, would seem to indicate that the poverty gap is narrowing, the gender gap persists (McLanahan and Kelly 1999). A variety of demographic factors and changes help to explain the feminization of poverty:

- Women are more likely to live alone because, for example, single women marry later and divorced women are less likely to remarry than men.
- Women have lower average earnings than men do. This is the case even when they do the same work.
- More children are being born to unmarried women, who tend to earn less than married women and who are more likely to be fully responsible for dependents.
- Women have longer life spans than men, increasing the likelihood that older women will be living on their own.

Economically, women have suffered from a variety of disadvantages. Historically, males were considered the main breadwinners, and women, if they worked, were thought

of as secondary earners. They have existed in a sex-segregated labor force in which the best and highest-paying positions have gone largely to men. The subordinate economic position of women was reinforced by the systematic wage discrimination practiced against them. They were routinely paid less than men, even for the same work. Women’s incomes have also been adversely affected by the fact that they are more likely than men to work part time, to hold temporary jobs, or to work at home (Presser 2005). Female workers have gained some ground: They earned about 61 percent of male earnings in 1960 but 77 percent in 2009 (National Committee on Pay Equity 2010), in part because of stagnation in male earnings. In spite of the improvement, the gender gap in earnings persists to this day (see Figure 8.8).

**FIGURE 8.8 • Female-to-Male Earnings Ratio and Median Earnings of Full-Time Workers in the United States by Gender, 1960–2010**



SOURCE: From U.S. Census Bureau, Current Population Survey, 1961 to 2007 Annual Social Economic Supplement, Fig. 2, p. 7.

## SOCIAL MOBILITY

Those who live in poverty are understandably eager to improve their lot. However, virtually everyone in a stratified system is concerned about **social mobility** (van Leeuwen and Maas 2010), or the ability or inability to change one’s position in the hierarchy. *Upward mobility*, the ability to move higher (Kupfer 2012; Miles, Savage, and Bühlmann 2011), is obviously of great concern, especially for those who are poor. Upward mobility is the route out of poverty. The middle class may have an even greater desire to be mobile than the poor. This is because they are likely to have experienced at least some of the possibilities

associated with upward mobility. They have some class, status, and power, but they tend to want more. They often want to move into the upper class. Even those in the upper class are interested in and concerned about upward mobility. They often want to move to higher-level positions than their rivals within the upper class. They are also interested in keeping tabs on those below them who may be moving up the ladder. Those on the move up the stratification system threaten to supplant them, and perhaps even reach positions higher than their own.

People in all social classes are also concerned about *downward mobility* (Wilson, Roscigno, and Huffman 2013).

### CHECKPOINT 8.2 FACTORS IN ECONOMIC INEQUALITY

Income inequality	Substantially higher since the 1970s, including in the United States, due to deindustrialization, technological advances, and political choices.
Wealth inequality	Much greater than income inequality. Wealth is a key economic indicator of class that confers a wide range of material advantages as well as status and power and can be passed on for generations to come.
Poverty	Built into the capitalist system in virtually all societies. Can be absolute or relative, and tends to disproportionately affect women and children.

**social mobility** The ability or inability to change one’s position in the social hierarchy.



Land of Opportunity

That is, people worry about descending to lower levels within their social class or to lower classes (for example, dropping from the upper to the middle or even lower class). Downward mobility causes people real hardships, but even its mere possibility is a great cause of concern. Immigrants and refugees who move to a new country almost always experience downward mobility during the first generation in their new locale. This is especially true of those who held high-level occupations in their countries of origin (Gans 2009). More generally, it is likely that, given the current economic problems in the United States and Europe, many people will experience downward mobility relative to their parents' status during their lifetimes. As one columnist put it, "Young people today are staring at a future in which they will be less well off than their elders, a reversal of fortune that should send a shudder through everyone" (Herbert 2011).

### ASK YOURSELF

Why should the public "shudder" at the prospect that young people today will be less well off in the future than their elders? What negative effects could this future reality have on social institutions, such as schools, workplaces, and industries like banking and real estate? Would it have any positive effects, perhaps on consumerism or the natural environment? How might it affect the world standing of the United States as a society? Explain your answers.

## TYPES OF SOCIAL MOBILITY

To this point, we have discussed upward and downward mobility, but there are a number of other types of social mobility as well. Upward and downward mobility are the key components of the general process of **vertical mobility**. Also of interest is **horizontal mobility**, or movement within one's social class. For example, a chief executive officer (CEO) may become CEO of a much larger corporation that brings with it much greater compensation. At the other end of the spectrum, the plumber who becomes a taxi driver also exhibits horizontal mobility (Ultee 2007a).

Sociologists are also concerned about two other types of mobility. One is **intergenerational mobility**, or the difference between the parents' position in the stratification system and the positions achieved by their children (Park and Myers 2010). Children who rise higher in the stratification system than their parents have experienced upward intergenerational mobility. Those who descend to a lower position on the ladder have experienced downward intergenerational mobility. **Intragenerational mobility** involves movement up or down the stratification system in one's lifetime. It is possible for some to start their adult

lives in the lower class and to move up over the years to a higher social class. However, it is also possible to start out in the upper class and to slide down the stratification ladder to a lower class in the course of one's lifetime (Ultee 2007b).

Much of the concern about mobility relates to the work that people do or the occupations they hold. **Occupational mobility** involves changes in people's work, either across or within generations (Blau and Duncan 1967; Treiman 2007). Research on occupational mobility has generally focused on men. This is the case even though occupational mobility obviously also applies to women (Mandel 2012). For example, in the case of intergenerational mobility, the focus has been on the difference between a man's occupation and that of his father.

All of the above types of mobility are concerned with individual mobility. **Structural mobility** involves the effect of changes in the larger society on the position of individuals in the stratification system, especially the occupational structure (Gilbert and Kahl 1993; R. Miller 2001). For example, China under communism offered people little mobility of any type. Now that China has a booming capitalist economy, there has been a vast increase in structural mobility, since many more higher-level positions (especially occupations) are now available (Vogel 2011). Millions have moved out of the peasantry and into an expanding hierarchy of nonagricultural occupations and thus higher social positions.

## STRUCTURAL MOBILITY IN THE UNITED STATES

There have been many changes in the occupational structure of the United States over the last century. These changes have profoundly affected occupational mobility

**vertical mobility** Both upward and downward mobility.

**horizontal mobility** Movement within one's social class

**intergenerational mobility** The difference between the parents' social class position and the position achieved by their child(ren).

**intragenerational mobility** Movement up or down the stratification system in one's lifetime.

**occupational mobility** Changes in people's work, either across or within generations.

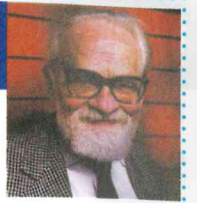
**structural mobility** The effect of changes in the larger society on the position of individuals in the stratification system, especially the occupational structure.

and, ultimately, all of the other types of mobility. For example, in 1900, the largest single occupational category was farming. A male born in 1900 was likely to have a father who was a farmer. However, over time, farm work became a smaller part of the economy, and there were few opportunities for a son in farming. He might end up in a wide range of occupations, but wherever he ended up, he was likely to experience occupational mobility. He was also likely to experience upward intergenerational mobility, since his occupation was apt to be of higher status and offer higher pay than his father's. Even if the son had started in farming, he was unlikely to end up in farming. Thus, he would experience upward intragenerational mobility as well.

If we fast-forward to 1930, we find that the largest occupational category was no longer farming, but manual, or blue-collar, work. Fathers, and perhaps their sons, were likely to do manual work in a factory. However, since that time, manufacturing work has also declined dramatically in the United States. The production of textiles, steel, automobiles, and other manufactured goods has shifted to other parts of the world, especially Asia. An American worker today is much more likely to be in a white-collar occupation (professional, managerial, clerical, service, or sales) than in a manual occupation. In other words, she is likely to have experienced intergenerational mobility. Some contemporary workers who started out as factory workers and then moved into some sort of white-collar work have also experienced intragenerational mobility.

Great inter- and intragenerational upward mobility were characteristic of the United States throughout the twentieth century. This was due to the fact that the country prospered and the number of high-level occupational positions expanded greatly. There were certainly those in the twentieth century who experienced downward mobility, but they were far outnumbered by those who experienced upward mobility. However, with the American economy in decline in the early part of the twenty-first century and other global economies rising dramatically (especially the BRIC countries: Brazil, Russia, India, and China), it is likely that we will see a rise in downward mobility and a decline in upward mobility in the United States (Levy 1987; Room 2011; Strobel 1993). Downward occupational mobility in the United States increased from 19 percent to 27 percent among males between the 1970s and 2000 (Gilbert 2011). As described previously, young people today are going to have a hard time maintaining the positions in the stratification system held by their parents. It is also possible that because of change in the occupational structure in the rest of the twenty-first century, many people, especially the young, will also experience downward intragenerational mobility as more high-status, high-paying jobs are lost.

## BIOGRAPHICAL bits



### Peter Blau (American, 1918–2002)

Born in Vienna, Austria, Peter Blau narrowly escaped Europe after being imprisoned by both the Nazis and the Allies. A chance meeting on his departure led him to Elmhurst College in Illinois, where he earned a bachelor's degree on a scholarship in 1942. Blau then became a U.S. citizen and served in the U.S. Army in World War II, receiving a Bronze Star. In 1952, he obtained a doctorate in sociology from Columbia University, where he studied with Robert K. Merton. Blau's personal and intellectual integrity were admired by his students at Columbia University, the University of Chicago, the State University of New York at Albany, and the University of North Carolina at Chapel Hill.

#### RESEARCH INTERESTS

- The nature of formal organizations
- Exchanges in social life
- Social stratification
- Ways to map the constellation of social forces

#### SELECTED PUBLICATIONS

- *Exchange and Power in Social Life* (1964)
- *The American Occupational Structure* (with Otis Dudley Duncan, 1967)

#### KEY IDEAS & CONTRIBUTIONS

- Social mobility and occupational opportunity affect our behavior

American women's mobility has been somewhat different from men's in recent years. It may well continue to be different in the decades to come. While their intergenerational mobility is similar to that of men, women's intragenerational mobility is much greater as a result of the changing structure of the labor force (Park and Dowell 2010). Women have far greater opportunities today to attain high-status occupations such as professional and managerial positions than they did in the past. Upward



Glass Ceiling



Social Mobility

## Social Stratification in Once Socialist Israel

At its founding in 1947 as a homeland for Jews, especially the victims of the Holocaust, Israel was dominated by Zionists. Examples include David Ben-Gurion, the country's first prime minister, and Golda Meir, a later prime minister. Zionism was a political movement aimed at finding a Jewish homeland. Zionists were steeped in Socialist principles. They opposed capitalism and favored social equality (at least for Jews). Israeli socialism was best exemplified by the *kibbutz*, a collective community based on the principles of Zionism.

The early *kibbutz* was largely agricultural, although some later *kibbutzim* were more oriented toward manufacturing and tourism. The land was owned communally, as were all tools, machines, and even clothing. In the early decades of *kibbutz* life, even the children were seen as belonging to the community. They were even breastfed by mothers other than their own. Above all, there was a strong notion of equality. *Kibbutz* members were all to be rewarded according to Karl Marx's (1938: 10) principle: "From each according to his ability, to each according to his need." Even gifts to *kibbutz* members were treated, as least theoretically, as communal property and were to be distributed equally to the members.

This system began to break down for various reasons, especially the declining economic importance of agriculture, the formation of capitalistic enterprises within the *kibbutz*, and the fact that more and more people who lived in the *kibbutz* began to take outside jobs. Much of this process was driven by Israel's integration, beginning in the 1980s, into the global economy (Fogiel-Bijaoui 2007, 2009). *Kibbutz* production systems faced competition in a market increasingly dominated by global financial arrangements that were inconsistent with the *kibbutz's* founding ideals. Following a free market model of economic development (Harvey 2005), property and goods were privatized, which, of course, led to increasing stratification within the *kibbutz*. Those who remained, and who



This milk processing plant in an Israeli *kibbutz* is now automated. Will eliminating the need for people to perform heavy or repetitive tasks reduce or increase social stratification in a society?

remained wedded to its socialist ideals, dropped to the bottom of the stratification system within the *kibbutz*. Many *kibbutz* members experienced great personal dissatisfaction, and their belief in the *kibbutz* system declined.

As Israel became more integrated into the world economy in the 1980s and 1990s, its right-wing government began selling off state-owned assets. Participation in collective decision-making and direct democracy diminished as assets were sold off to capitalists, who transformed many of them into highly profitable capitalist enterprises. Furthermore, some of the early capitalists began to expand into other businesses and came to control a complex web of highly profitable enterprises. Many of the owners of these webs—the "tycoons"—have become extraordinarily rich, as have those who hold high positions in them.

The high level of equality that once prevailed within Israeli society has given way to a highly stratified society in which a small number of families control the 10 largest businesses in Israel with about 30 percent of the economy. As a result, Israel now has

one of the "largest gaps between rich and poor in the industrialized world" (Bronner 2011a). In fact, there is more wealth concentration in Israel than there is in Great Britain, Germany, and the United States.

Like other areas throughout the world, dissatisfaction with rising inequality, as well as high prices, led to massive protests throughout Israel in 2011. At the top of the protesters' list of objectives was "minimizing social inequalities" (Bronner 2011a). More concretely, the protesters wanted more affordable housing, food, and gasoline; lower taxes; and restoration of lost social services. Most generally, there was a feeling that the once just system (at least for Jews in Israel) had grown increasingly unjust.

### Think About It

Do you think Israel's recent experience with capitalism suggests that a society characterized by collective ownership and social equality is not sustainable? Why or why not? Is the small scale of Israel's society an advantage or a disadvantage if its leaders turn their attention to its growing income inequality?

intragenerational mobility has thus grown more likely for women in recent years. They, too, will be affected by the declining fortunes of the American economy in the 21st century. However, the effect will be muted because changes in the labor force will continue to operate to their advantage—at least relative to the fortunes of men.

The good news for American workers is that intragenerational mobility can be affected by access to human capital resources. For example, a college education is very helpful for obtaining initial employment. Also very helpful is education pursued throughout a career. Ongoing education can be a resource for maintaining employment, and it is likely to increase the chances of upward mobility (Carnevale, Rose, and Cheah 2009). Figure 8.9 shows that education pays off for both males and females, although more for males than females. With each increase in educational level, there is a significant increase in lifetime income.

## ACHIEVEMENT AND ASCRIPTION

Thus far, we have been describing a system of social stratification defined by status, power, and class—especially economic class. This, however, is but one type of stratification system. A chief characteristic of this system is the idea that social positions are based on **achievement**, or the accomplishments, the merit, of the individual. For example, a person becomes a physician, and thereby attains a high-level position in the stratification system, only after many years of education, hard work, and practical experience. Conversely, some people believe that a person at or near the bottom of the stratification system is there because he lacks the necessary accomplishments. These people might suggest that a homeless person is homeless because she has not worked hard enough to earn a living wage. The idea that achievement determines social class is accurate to some extent, but the fact is that where a person ends up in the stratification system may have little or nothing to do with achievement. Instead, it can be explained by external factors over which the individual has little control.

A person's status usually has a great deal to do with **ascription**, or being born with, or inheriting, certain characteristics such as race and gender, wealth, and high

**achievement** The accomplishments, or the merit, of the individual.

**ascription** Being born with or inheriting certain characteristics (wealth, high status, etc.).

**caste** The most rigid and most closed system of stratification, usually associated with India.

status (or conversely, poverty and low status) (Bond 2012). Thus, a person's position in the social hierarchy may be due to nothing more than the accident of being born a man or a woman, black or white. At the extremes, ascribed status has little or nothing to do with a person's accomplishments, skills, or abilities. Further, once in a given position in the stratification system, a person is likely to remain in that position during his or her lifetime.

## CASTE AND SLAVERY

**Caste** is the most rigid and closed system of stratification based on ascription. The best-known caste system is found in India (Teltumbde 2011), but it has existed at other times and in other places. Examples include fifteenth- to nineteenth-century Japan, as well as the era of apartheid—1948 to 1994—in South Africa (Jalali 2007). Indeed, the caste system and the apartheid system of racial stratification are often seen as similar (Slate 2011).

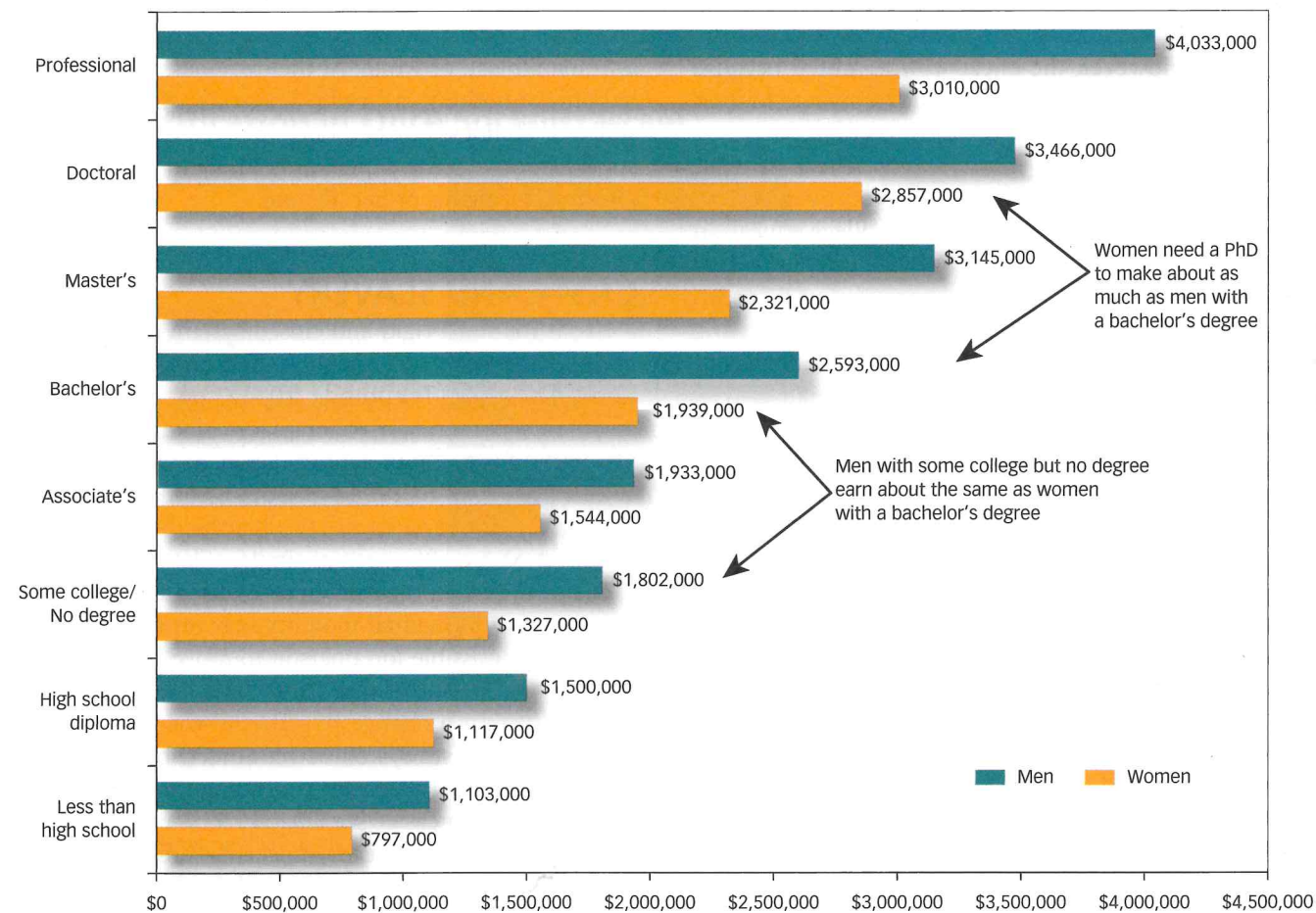
A caste system is closed in several senses. For one, the possibility of individual mobility is severely restricted. It is almost impossible for a person to move out of the caste group into which he or she is born. There also exist limited possibilities for a change in status of the caste group as a whole. The caste system is reinforced by the fact that castes are usually *endogamous*, meaning that people marry within their own caste (see Chapter 11). Further, contact with those from other castes, especially those with a higher rank, is prohibited or greatly limited, often by elaborate rituals and customs. For example, those from lower-ranked caste groups such as the *Dalits*, the "untouchables" who currently represent 16 percent of the Indian population, are often relegated to menial positions. There, they may not be permitted to eat with members of a higher-ranked caste, or even to touch the food to be eaten by the latter. This poses great difficulties, especially in a modern society of fast-food restaurants. There the food eaten by persons of higher-ranking castes is likely to be prepared and served by persons of lower-ranking castes.

Since membership in a caste is hereditary and various economic and social resources have been unevenly distributed among the castes, inequality is often reproduced across multiple generations. Marriages are still likely to be arranged within castes, and individual castes continue to survive as they compete for secular resources (Srinivas 2003). The poor in India are still disproportionately found among the lower-ranking castes. The caste system is also still important in rural areas, where the *Dalits* are, among other things, banned from temples and the use of village



Social Caste in India

**FIGURE 8.9 • Educational Attainment and Lifetime Earnings in the United States by Gender**



SOURCE: From *The College Payoff: Education, Occupations, and Lifetime Earnings*, Anthony P. Carnevale, Stephen J. Rose, and Ban Cheah, The Georgetown University Center on Education and Workplace. August 5, 2011. Reprinted with permission.

water wells. As a group, they continue to be desperately poor, powerless, landless, and largely illiterate.

Though caste survives in contemporary India, the caste system has been altered greatly by various social changes. After India gained independence in 1947, legal changes were instituted to address inequities among the castes. The constitution prohibited discrimination against those considered untouchables and others in public places. Affirmative action provided avenues of social mobility to the Dalits—now called the “scheduled castes” by the government. For example, positions are reserved for Dalits in universities and in the government bureaucracy.

An economic boom transforming much of India, urbanization, a crisis in agriculture, affirmative action policies, and political changes have prompted some sociologists to argue that the caste system is fast breaking down. Take the case of Ashok Khade (Raman 2011). His family belonged to the Dalits. Battling great odds, such as living under staircases and working as a stevedore by day while going to night school for a degree in engineering, Khade invested

in education. He now owns a business empire worth 550 crore—approximately 5.5 billion rupees, or almost \$110 million. He is part of a group of 31 entrepreneurs (including one woman) who are now referred to as the Dalit *crorepatris*, Dalits with at least 10 million rupees.

Still, for all their successes, Dalit entrepreneurs have faced exclusion within the market, particularly in terms of the credit needed to build and expand their businesses (Raman 2011). Sociologist Surinder S. Jodhka (cited in Raman 2011) argues that achieving success is difficult for Dalit entrepreneurs who lack access to social networks and cultural and economic resources: “It is a tough struggle in a market where businesses are run on networks and caste lines, and being a Dalit often means no land and virtually no assets. The discrimination is not just on the lines of untouchability[;] a whole structure of stereotypes is built around them—that they lack the required skills or can’t speak good English.” Dalit entrepreneurs face a brutal market and an exploitative informal sector, as well as declining public investment and shrinking avenues of

employment in the government sector. To better their odds, they have tried to create their own social capital through the formation of business networks such as the Dalit Indian Chamber of Commerce and Industry (DICCI). That some of them are succeeding is a sign that there are cracks in the caste system in India.

Another extreme stratification system associated with ascription is slavery. **Slavery** is a system in which people are defined as property, involuntarily placed in perpetual servitude, and not given the same rights as the rest of society. Slaves, of course, exist at or near the bottom of the stratification system. This was the case, for example, in the American South before the end of the Civil War. Some forms of slavery persist to this day, such as child slavery in Southeast Asia (Rafferty 2007), a phenomenon that is at least in part related to human trafficking (Hoque 2010) (see Chapter 1). Children, particularly girls, are being used not only for hard labor, but for the sexual gratification of adults. In each country where this sort of slavery occurs, existing structures shape the nature of slavery. In India, for instance, children who become sex slaves are most likely to be victims of the caste system as well (Hepburn and Simon 2010).



Slavery defines people like these South Carolina plantation workers of the 1860s as property and denies their rights as humans. What keeps such an extreme form of stratification in place?

about what goes on within those structures at the micro levels.

### STRUCTURAL/FUNCTIONAL THEORIES

Within structural/functional theory, it is structural-functionalism that offers the most important—and controversial—theory of stratification. It argues that all societies are, and have been, stratified. Further, the theory contends that societies need a system of stratification in order to exist and to function properly (Davis and Moore 1945). Stratification is needed first to ensure that people are motivated to occupy the less pleasant, more difficult, and more important positions in society. Second, stratification is needed to be sure that people with the right abilities and talents find their way into the appropriate positions. In other words, what is required is a good fit between people and the requirements of the positions they occupy.

The structural-functional theory of stratification assumes that higher-level occupations, such as physicians and lawyers, are more important to society than such lower-level occupations as laborers and janitors. The higher-level positions are also seen as being harder to fill because of

### THEORIES OF SOCIAL STRATIFICATION

Within the sociology of social stratification, the dominant theoretical approaches are structural/functional theory and conflict/critical theory. These approaches are also involved in the major theoretical controversies within this area of sociological study (de Graaf 2007). Also to be discussed here are inter/actionist theories of stratification.

As in all areas of the social world, different theories focus on different aspects of social stratification. Instead of choosing one theory over another, it may make more sense to use all of them. Structural/functional and conflict/critical theories tell us much about the macro structures of stratification, while inter/actionist theories offer great detail

**slavery** A system in which people are defined as property, involuntarily placed in perpetual servitude, and not given the same rights as the rest of society.



Affirmative Action Bans



Microcredit

## Caste on the Internet

The resource inequalities associated with caste in India have tended to influence Internet access. Individuals and groups belonging to higher-ranking castes are disproportionately represented on the Internet. Higher-ranking individuals are more likely to have the income and language skills, especially proficiency in English, to be able to access and communicate on the Internet. Yet even among these higher-caste individuals, caste manifests itself in many ways on the Internet.

The Internet is becoming a popular medium for matrimonial services and, in the process, encouraging people to marry within their castes. Information regarding eligible brides and bridegrooms supplements offline caste-based matrimonial services and newspaper matrimonials. The Internet is also home to a number of matrimonial websites that perpetuate caste divisions by serving multiple castes with separate sections (such as [www.shaadi.com](http://www.shaadi.com)) or by serving a single caste (for instance, [www.agarwal2agarwal.org](http://www.agarwal2agarwal.org)).

In addition, the Internet is increasingly being used to maintain castes. The Nair Service Society (NSS) has set up a website

([www.nss.org.in](http://www.nss.org.in)) to disseminate information about, and encourage the welfare of, the Nair caste.

Members of castes also use the Internet to organize themselves into caste networks and communicate with caste members throughout the world. They may set up standalone websites, such as [www.tamilbrahmins.com](http://www.tamilbrahmins.com), or use social networking websites, such as Orkut or Facebook. For instance, members of the Mukkulathor caste have created a group called "Thevar Community" on Facebook ([www.facebook.com/groups/bulletravi](http://www.facebook.com/groups/bulletravi)), which has more than 500 members. These websites and social networking sites also provide a forum for caste members to discuss the histories and practices of their particular castes, as well as contemporary economic, political, and social issues that they perceive as being relevant to their castes. Often, websites and groups provide safe spaces where members can raise issues that might attract censure if raised offline in public spaces. Among such issues would be a questioning of the continuation of the caste system or contemplating the end of caste-based affirmative action policies.

Others use the Internet to attack the caste system. For instance, the group Dalit Freedom Network utilizes the Internet to protest discrimination against Dalits, to coordinate network activities, and to organize members on its website, [www.dalitnetwork.org](http://www.dalitnetwork.org). Some groups on social networking sites, such as the Facebook group "End Caste System, End Communal Hatred, and Be a Human!" ([www.facebook.com/groups/136066263161299](http://www.facebook.com/groups/136066263161299)), provide spaces for individuals who would like to end the caste system. The Internet also provides a space for intercaste matrimonial services focused on ending the caste system, such as the Pratibimb Mishra Vivah Mandal ([www.pratibimb.info](http://www.pratibimb.info)).

SOURCE: Printed with the permission of Jillet Sam.

### Think About It

How does caste segregation on the Internet differ from other forms of segregation we might observe there, such as segregation by country, by language used, or by interest (for instance, golfers may not frequent knitting websites)? Does it surprise you to learn that everyone is not equal on the Internet? Why or why not?

the difficulties and unpleasantness associated with them. For example, both physicians and lawyers require many years of rigorous and expensive education. Physicians are required to deal with blood, human organs, and death; lawyers have to defend those who have committed heinous crimes. It is argued that in order to motivate enough people to occupy such positions, greater rewards, such as prestige, sufficient leisure, and especially large amounts of money, need to be associated with them. The implication is that without these high rewards, high-level positions would remain understaffed or unfilled. As a result, structural-functionalists see the stratification system as functional for the larger society. In this case, it provides the physicians and lawyers needed by society.

## CONFLICT/CRITICAL THEORIES

Conflict/critical theories tend to take a jaundiced view of stratified social structures because they involve and promote inequality. They are especially critical of the structural-functional perspective and its view that stratification is functional for society. Conflict/critical theory takes a hard look at who benefits from the existing stratification system and how those benefits are perpetuated.

Critical theorists focus on the control that those in the upper levels of the stratification system exercise over culture (Kellner and Lewis 2007; Lash and Lury 2007). In contrast to Marx's emphasis on the economy, they see culture as of utmost importance in the contemporary world. Elites are seen as controlling such important

aspects of culture as television and movies, and as seeking to exert increasing control over the Internet and such major social networking sites as Facebook and Twitter. Elites use the media to send the kinds of messages that further their control. Furthermore, the amount of time that those lower in the stratification system are led to devote to TV, video games, movies, and the Internet is so great that they have little time to mobilize and oppose, let alone overthrow, those in power.

## CHECKPOINT 8.3 TYPES OF SOCIAL MOBILITY

Vertical	Upward or downward movement through the social hierarchy.
Horizontal	Movement within the same social class.
Intergenerational	Movement by children to a different social class than their parents'.
Intragenerational	Upward or downward movement over the course of one person's lifetime.
Occupational	Changes in people's work across or within generations.
Structural	Changes in the larger society, particularly the occupational structure, that affect the position of individuals in the stratification system.

### ASK YOURSELF

Do you agree with the structural-functional perspective that stratification provides an important function for society? Or do you believe, as conflict/critical theorists do, that stratification exists to perpetuate benefits for the elite and expand their control? Justify your choice.

### Social Rewards and Status

While critical theorists focus more on culture, conflict theorists are mainly concerned about social structure (Huaco 1966; Tumin 1953). Conflict theorists ridicule the idea that higher-level positions in the social structure would go unfilled were it not for the greater rewards they offer. They ask, for example, whether higher-level positions in the stratification system are less pleasant than those at the lower end of the continuum. Is being a surgeon really less pleasant than being a garbage collector? The argument being made by structural-functionalists seems preposterous to conflict theorists and to many others.

Conflict theorists accept the idea that higher-level positions such as being a lawyer may be more difficult than lower-level positions such as being a garbage collector. However, they wonder whether these positions are always more important. Is a lawyer who engages in shady deals or who defends environmental polluters more important than a garbage collector? In fact, the garbage collector is of great importance to society. Without garbage collectors, diseases that could seriously threaten society would develop and spread.

Conflict theorists also criticize the idea that those at the upper levels of the stratification system require the large rewards offered to them. Many people would

be motivated to occupy such positions as CEO of a multinational corporation or hedge fund manager without such extraordinary rewards. Fewer economic rewards for those at the top, and more for those on the bottom, would reduce the economic gap and make for a more equal society. Conflict theorists also argue that providing huge sums of money to motivate people is not the only way to get them to pursue an advanced education or whatever else is necessary to occupy high-ranking positions. For example, the status or prestige associated with those positions would be a strong motivator, as would the power that comes with them. It may even be that economic rewards motivate the wrong people to occupy these positions. That is, those interested in maximizing their income rather than doing right by their patients and clients are being motivated to become surgeons. Focusing on the rewards associated with making positive contributions to society would likely improve the way medicine, law, business, finance, and other high-status occupations function.

### Gender, Race, and Class

Operating from another variant of conflict/critical theory, feminist theorists tend to focus on the issue of stratification in the work world. Because men owned the means of production in the development of capitalism, they gained positions of great power and prestige that yielded major economic rewards (Hartmann 1979). Women, by contrast, were relegated to subordinate positions. Over the years, women's position in the U.S. stratification system has improved with the entrance of more women in the



The Digital Divide



Global Super-Elite

workforce and greater legal protections against workplace gender discrimination. There are now many more women in such high-ranking positions as executive, physician, and lawyer. Yet, compared with men overall, women still occupy a subordinate position in the stratification system. They can also find it harder to rise very high in that system.

Feminist theorists have dealt with this issue under the heading of *occupational gender segregation*, or the unequal allocation of occupations to men and women (Reskin 1993). Women have been disadvantaged by occupational gender segregation in various ways. They have tended to get inferior occupational training and therefore to be hired at lower-level, lower-paying, positions than men. Women have also tended to be hired, and to remain, in female-dominated occupations. These factors have led women into careers in which they do not rise as high in the employing organization and are not paid as much as men. Women are also likely to confront more problems in the day-to-day operations and procedures of their employing organization. For example, organizational policies on day care are far more likely to have an adverse effect on female employees than on male employees. Thus, such factors are far more likely to impede the careers of women.

While the occupational situation for women has improved in recent years, the occupational world remains segregated on the basis of gender (Gauchat, Kelly, and Wallace 2012). For example, women face a “motherhood penalty” (Budig, Misra, and Boeckman 2012; Correll, Benard, and Paik 2007) in the workplace that limits upward mobility among women with children. Mothers seeking jobs are less likely to be hired, are offered lower salaries, and are seen by others as less committed to the workplace. Illustrating how pervasive this penalty is, the wage gap between women without children and mothers is greater than the wage gap between men and women (Boushey 2008; Hausmann, Ganguli, and Viarengo 2009). Even women at the highest levels of the corporate world continue to face barriers unique to their gender. Recent research finds that women tend to give themselves lower self-ratings than do men. This internalized modesty about work performance contributes to lower upward mobility over and above external factors such as the glass ceiling (Hutson 2010) (see Chapter 6).

Yet another type of conflict/critical theory, critical theories of race and racism, argues that a similar white-controlled stratification system has put whites on top and kept racial minorities in subordinate positions. Minorities face huge, sometimes insurmountable, barriers to moving into, or even close to, high-level positions. As evidence of this, upward career mobility among black Americans has lagged behind that of whites (Sites and Parks 2011).

## Colonialism, Imperialism, and Postcolonialism

At the global level, several conflict/critical theories have implications for the study of stratification. **Theories of colonialism** deal with the various methods employed by one country to gain control, sometimes through territorial conquest, of another country or geographic area. **Colonialism** generally involves settlers as well as formal mechanisms of control over a country's colonies (Williams and Chrisman 1994a). The colonial power often creates an administrative apparatus to run a colony's internal affairs. Once the stronger country is in power, it then seeks to exercise political, economic, cultural, and territorial control over that area. Of course, the main point is to exploit the weaker areas for the stronger country's benefit. In some cases—most famously, in the case of the British Empire—many areas of the world were colonized by one country.

**Imperialism** involves control *without* the creation of colonies, the associated settlers, or the formal methods of control. Imperialism is more defined by economic control and exploitation, while colonialism is more about political control. Of course, the two are often combined. The British were both imperialists *and* colonialists.

Today, few, if any, colonies remain, the result being that we can now think in terms of **postcolonialism** (Bhambra 2007b). Clearly, the term implies the era in once-colonized areas *after* the colonizing power has departed. However, postcolonial thinking and work are often already well under way before the colonizing power departs. The most notable work on postcolonialism is Edward Said's *Orientalism* ([1979] 1994), which deals with this problem in the context of negative stereotypes developed in the West about those who live in the East, including both Asia and the Middle East. The issue raised is the difficulty experienced by “Orientals” in developing a positive identity in light of all of the negativity about them in the West, which dominated the East in various ways,

**theories of colonialism** Systems of thought that address the causes and consequences of a powerful nation-state's control of a less powerful geographic area.

**colonialism** A method of gaining control over another country or geographic area; generally involves settlers as well as formal mechanisms of control.

**imperialism** Control over geographic areas without the creation of colonies.

**postcolonialism** The era in once-colonized areas after the colonizing power has departed, although postcolonial thinking and work could already be well under way before the colonizing power departs.

including imperialism and colonialism, until very recently. The problem from the point of view of social stratification is that while “Orientals,” and “natives” more generally, acquire high-level positions when the colonial powers leave, they may lack the positive sense of self needed to handle these positions adequately. Thus, colonialists and imperialists may continue to exercise economic and political control behind the scenes: While they may no longer actually occupy high-level positions in the stratification system, they may be able to control the locals who do hold these positions.

**World system theory** focuses on the current stratification system among nation-states. It envisions a world divided mainly between the *core* and the *periphery*. The nation-states associated with the periphery are dependent on, and exploited by, the core nation-states (Wallerstein 1974). There are also a number of states in the middle, the *semiperiphery*. Countries in the core, semiperiphery, and periphery shift over time. At one time, Great Britain was the core nation-state in the world, but it was replaced by the United States by the time of World War II. Today, the United States is slipping, and China, at one time a peripheral country, shows every sign of moving to the core.

### ASK YOURSELF

In the context of world system theory, could a time come when the United States is in the semiperiphery or even the periphery? What do you think would make this result more likely? What could perhaps prevent it?

World system theory is a conflict/critical theory, strongly influenced by Marxian ideas, that offers a very different view of social stratification than is typical in most Marxist approaches. As you will recall, Marxists generally focus on stratification within societies, especially between the capitalists at the top of the stratification system and the proletariat at or near the bottom. World system theorists

**world system theory** A system of thought that focuses on the stratification of nation-states on a global scale.



A vintage postcard celebrates the vastness of the British Empire. Where is colonialism still in evidence in the world today?

focus not on a particular country, but on the world as a whole. Instead of being concerned about the capitalists exploiting the proletariat, world system theory focuses on the exploitation of the periphery by the core.

## INTER/ACTIONIST THEORIES

From an inter/actionist theory perspective, social stratification is not a function of macro-level structures but of micro-level, individual actions and interactions. While both structural/functional and conflict/critical theorists see stratification as a hierarchical structure, inter/actionists see it as much more of a process or a set of processes. As a process, stratification involves interactions among people in different positions. Those who occupy higher-level positions may try to exert power in their interactions with those below them, but the latter can, and usually do, contest such exertions of power.

To the symbolic interactionist, inequality ultimately depends on face-to-face interaction. It is what happens in face-to-face interaction that leads to inequality. One symbolic interactionist approach identifies four processes that produce and reproduce inequality (Schwalbe et al. 2000). First, the dominant group defines the subordinate group into existence. Second, once in existence, the subordinate group finds ways of adapting to its situation. Third, there are efforts to maintain the boundaries between



Social Class in America

## BIOGRAPHICAL bits

### Immanuel Wallerstein (American, born 1930)



Immanuel Wallerstein received all his degrees from Columbia University and taught there for a time. In 1976, he was named a Distinguished Professor at the State University of New York at Binghamton, where he served until his retirement in 1999. A mentor to many students, he headed the Fernand Braudel Center for the Study of Economies, Historical Systems, and Civilizations at Binghamton University and fostered its journal, *Review*. In the American Sociological Society, Wallerstein founded the Section on the Political Economy of the World System. He achieved fame early in his career for his work on Africa and is noted for the strong theoretical base of his work, as well as for dealing with a wide range of historical phenomena.

#### RESEARCH INTERESTS

- Social stratification
- The world system
- Marxian theory

#### SELECTED PUBLICATIONS

- *The Modern World-System* (1974)

#### KEY IDEAS & CONTRIBUTIONS

- World-systems analysis shifted the focus of Marxian theory away from the nation-state and capitalists' exploitation of the proletariat and toward the world system and exploitive relationships between geographic areas called the core, the semiperiphery, and the periphery

the two groups. Finally, both groups must manage the emotions associated with their position in the stratification system. For example, those at the top must not show too much sympathy for those below them and those at the bottom must not display too much anger toward those above them.

Symbolic interactionists see social stratification as much more fluid than do structural/functional and conflict/critical theorists. While the theories discussed above focus

mainly on economic factors, symbolic interactionists are much more concerned about the struggle over things that are symbolically important to those at various positions in the stratification system. Those in higher-level positions define what they have as of great importance. Those below them may accept that definition and work to gain those symbols. However, the latter can also reject those definitions and find or create other symbols that are of importance to them and that serve to elevate them and their positions. For example, those in lower-level positions may reject the long hours and high stress associated with higher-level positions. Instead, they may place a higher value on positions that involve less responsibility and offer more reasonable hours, and therefore more time to enjoy leisure activities.

Ethnomethodologists note that people may exist within a stratified structure, but what really matters is what they *do* within such a structure. As in other aspects of the social world, people use commonsense procedures to operate and make their way in such structures. These procedures are used by elites and the downtrodden alike to “do” their position in the system. For example, elite members of society are likely to carry themselves with authority and self-importance. In contrast, those at the bottom rungs of the stratification system are more likely to appear overburdened and to slouch throughout the day. In other words, one of the ways in which people do stratification is in their body language.

People can and do use the system of stratification to accomplish their goals. On the one hand, elites may get others to do their bidding merely by acting as elite members of society and sporting the trappings of that position, such as driving a Porsche. On the other hand, those at the bottom may use their position to extract handouts at street corners or from charitable agencies. Alternatively, they may use their position to obtain loans or scholarships that allow them to move up the stratification system.

Clearly, sociological theory regarding stratification entails a vibrant, ongoing discussion offering a variety of insights and perspectives.

## CONSUMPTION AND SOCIAL STRATIFICATION

Much of this chapter relates to issues of production and work, but social stratification is also related to consumption in various ways. For one thing, different positions in the stratification system involve differences in consumption. Most obviously, those in the upper classes are able to afford to consume products (such as yachts, Maserati automobiles, and Dom Pérignon

champagne) and services (such as those provided by maids, chefs, and chauffeurs) that those in the middle and especially the lower classes cannot even contemplate. For another, the nature of consumption itself forms a stratification system. The consumption of certain sorts of things accords a higher position than does consumption of other kinds of things.

## STRATIFIED CONSUMPTION

Fashion is a good example of a stratified form of consumption. Georg Simmel ([1904] 1971) argued that those in higher levels of the stratification system continually seek to distinguish their consumption from those below them. This is evident in the realm of fashion, where the elites adopt new fashions, thereby displaying that they can afford the latest styles. However, elites soon find that those below them have copied their fashions with cheaper, if not cheap, imitations. Thus fashion, as well as other choices by elites, has a tendency to “trickle down” the social stratification ladder to the middle and eventually the lower classes. To distinguish themselves from the masses, elites must continually move on to new and different fashions. This phenomenon most obviously applies to fashions in clothing, but there are fashions in many other things as well, such as cars, homes, vacations, and even ideas (Lipovetsky [1987] 2002, 2005).

Simmel's contemporary Thorstein Veblen also theorized about stratification and consumption ([1899] 1994). In Veblen's view, the elite members of society wanted to be “conspicuous.” In the past, they had been conspicuous about their accomplishments in the work world, but over time, these feats became less and less visible as they came to be concealed by factory walls and office buildings. As a result, elites shifted more toward *conspicuous consumption*, wanting others to see what they were able to consume, especially those things that served to differentiate them from those in lower social classes (see Chapter 2). Thus, their money came to be invested in mansions, fancy furnishings, fine riding horses, expensive automobiles, designer dresses, and exquisite jewelry, because such things can easily be seen and admired by others.

This is a key difference between Simmel's and Veblen's theories: Simmel's concept of trickle-down fashion assumes that the middle and lower classes will, in a sense, copy the consumption patterns of the elite. On the other hand, Veblen believed that because

## CHECKPOINT 8.4

## THEORIES OF SOCIAL STRATIFICATION

Structural/functional theories	All societies need stratification to exist and to function properly.
Conflict/critical theories	Stratified social structures promote inequality and control by those in the upper levels of stratification.
Inter/actionist theories	Social stratification is a function of micro-level individual actions and interactions among people in different positions.

the things that the elite consume are very expensive, their consumption patterns cannot be copied so easily by those who rank lower in the stratification system. Therefore, elite status is expressed and solidified through conspicuous consumption. What appears to involve unnecessary expense has a payoff in supporting and enhancing the status of elites. In fact, in Veblen's view, the factor that distinguishes elites from others is their ability to engage in wasteful consumption.

## ASK YOURSELF

Do you think Simmel's concept of trickle-down fashion or Veblen's notion of conspicuous consumption is a more accurate description of the relationship between consumption and social stratification? Why? Can you provide examples to support your answer?

## SOCIAL CLASS AND TASTE

A person's taste in consumption also helps in deciding the social class to which that person belongs. For example, if you read the *New York Times* (whether online or in hard copy), you are likely to be classified as being in the middle or upper class. However, if you read *USA Today* or don't follow the news at all, you would be classified by most as standing lower in the stratification system. While taste can be demonstrated in the purchase and display of expensive consumer goods, it also can be shown much more subtly in the way one talks, the kind of music one listens to, and the books one reads. Good taste in these and other areas demonstrates and enhances the position of elite members of society. It supposedly shows that they have good breeding, have come from a good family, and have a good education, and especially that they have



Immanuel Wallerstein



the good taste to value things according to their merit and not simply because of how much they cost. Those without such taste, who have a taste for the necessary rather than the good taste of elites (Holt 2007), in music for example (Prior 2011), are likely to be relegated to the lower reaches of the stratification system.

Taste must be considered not only in terms of how others classify you, but also by how you classify yourself through your demonstration of taste, lack of taste, or more extremely, tastelessness. For example, at a formal business luncheon, a conservative suit would show good taste, while either a tuxedo or a sports jacket would show a lack of taste; being either over- or underdressed demonstrates lack of taste regarding appropriate attire. A T-shirt and jeans would be completely tasteless, and might result in your losing a business opportunity. Demonstrations of taste or tastelessness are not simply demonstrations of individuality but also demonstrate linkages to the larger social world, especially the social class system.

### The Quest for Distinction

Both Simmel and Veblen focus on the economic aspects of consumption, but a more contemporary French sociologist, Pierre Bourdieu (1984; T. Bennett et al. 2009), adds a cultural dimension to the analysis of consumption and stratification. What animates Bourdieu's work is the idea of **distinction**, the need to distinguish oneself from others. Both Simmel and Veblen deal with the desire of elites to distinguish their superior economic position through the wasteful things it enables them to buy. Although he too recognizes the economic factors involved, Bourdieu adds the more cultural dimension of taste to the analysis of consumption and stratification (Gronow 2007; Marsh 2012). That is, elites seek to distinguish themselves from others by their good taste. With members of the lower classes constantly imitating the tastes of the upper classes, the latter are continually forced to find new ways to achieve distinction. In other words, in Bourdieu's view, in order to achieve distinction elites are forced to become ever more refined, sophisticated, and exclusive in their tastes.

Perhaps the most important aspect of this work on distinction and taste is that it is closely related to struggles for power and position within the stratification system. On the one hand, elites use culture to obtain and maintain their position. They might do this by focusing on high culture, such as opera or art (see Chapter 4). Such taste helps elites to gain high-level positions in the stratification system and to make those below them accept their lesser positions in that system. The focus of elites on high culture serves to exclude the lower classes from higher-level positions in the stratification system. It excludes them from even thinking of trying to move into those positions.

Even those from the lower classes who manage to acquire considerable wealth are not likely to have or to develop the level of cultural sophistication needed to appreciate something like ballet. Like Marxian theorists, Bourdieu and his followers see the stratification system as an arena of ongoing struggle. However, while Marxists tend to see this as largely an economic struggle, Bourdieu, although he certainly recognizes its economic aspects, sees it as a cultural struggle.

### Elites as Cultural Omnivores

The idea of *cultural omnivores* (Katz-Gerro and Meier Jaeger 2011; Peterson and Kern 1996) offers a very different view of the relationship among social class, consumption, and taste. From this perspective, elites are not seen as refined and exclusive in their tastes; elites are not viewed as “snobs.” Rather, they are seen as having very diverse tastes, ranging from those that are highly refined to those that are unrefined, even coarse. Furthermore, elites are not seen as having exclusive tastes, but rather tastes that are wide ranging and inclusive. In other words, elites are omnivores who appreciate all sorts of things. Thus, elites might attend both the opera and kickboxing matches; might download highbrow books on their Kindle as well as pornography on their hard drives; and might buy both opera arias and country and western music from iTunes. In contrast, those in lower classes have more limited tastes, which might be more oriented toward kickboxing, pornography, and country and western music; in other words, those in the lower classes are less likely to be omnivores.

Another example of the amalgamation of high and low culture is to be found in what is called “fast fashion,” a retailing strategy led by such Europe-based firms as H&M and Zara. Although they have become global firms, these brands are rooted in Europe because the fashion capitals of the world, the centers of expensive haute couture (high fashion), are there—especially Paris and Milan (Lipovetsky [1987] 2002). This is important because the styles of fast-fashion firms are heavily influenced by the creations of the world's great fashion houses. As soon as they are shown, they are quickly copied (Steele 2011), produced (Menkes 2008), and shipped around the world by the fast-fashion firms. The copies created by the fast-fashion companies are helping to erode the difference between stratified tastes.

As we have seen, there are several contrasting views on the social stratification of consumption—on why people at various levels of society consume what they do.

**distinction** The need to distinguish oneself from others.

The overriding point, however, is that many people in the world, especially in the United States, are enmeshed in such a consumer culture. Whether we buy tickets to the ballet or a kickboxing match, we are participating in a highly stratified consumer culture.

## CHECKPOINT 8.5

## THEORISTS WHO RELATED CONSUMPTION TO SOCIAL STRATIFICATION

Georg Simmel	Elites in higher social levels seek to distinguish their consumption from that of those below them, but that which is consumed, such as fashion, trickles down.
Thorstein Veblen	Elites' status is expressed and solidified through conspicuous consumption patterns that those below them cannot easily copy.
Pierre Bourdieu	Elites seek to distinguish themselves from imitators by the refinement and exclusivity of their taste.

## GLOBALIZATION AND STRATIFICATION

All societies are stratified on the basis of class, status, and power. However, as is clear in the theories of Immanuel Wallerstein, it is also the case that the nations of the world form a stratified system. The nations at the top are those that tend to be better off economically, to wield great power in many parts of the world, and to be looked up to around the globe. Conversely, the nations at the bottom of the global stratification system are likely to be very poor, to have little power outside (and perhaps even inside) their borders, and to be looked down upon by many throughout the world. Global stratification is a macro-level phenomenon that has profound effects at the micro level of individuals' relationships and opportunities.

### THE GLOBAL NORTH AND SOUTH

Stratification on the global level is often seen as a divide between those nation-states located in the Northern Hemisphere (more specifically, the north temperate climate zone)—the Global North—and those located in the tropics and Southern Hemisphere—the Global South. For centuries, the North has dominated, controlled, exploited, and oppressed the South. Today the North encompasses the nations that are the wealthiest and most powerful, and that have the highest status in the world, such as the United States, China, Germany, France, Great Britain, and Japan. The South, on the other hand, has a disproportionate number of nations that rank at or near the bottom in terms of global wealth, power, and prestige. Most of the nations of Africa would be included here, but there are others, especially in Asia, such as Afghanistan and Yemen.

Position in the global stratification system greatly affects stratification within a given society. A nation, like the United States, that stands at or near the top of the global stratification system has a larger proportion of middle- and upper-class positions than does a low-ranking nation, like Somalia, that is dominated by

lower-class positions and the poverty associated with them. This stratification has been recognized by institutions such as the International Monetary Fund, which distributes funds from countries in the Global North to those in the Global South.

### THE BOTTOM BILLION

There is certainly great inequality between the North and the South, but a focus on that relationship tends to obscure the full extent of global inequality. Consider what have been called the “bottom billion” of global residents (Collier 2007). The vast majority (70 percent) of the people in the bottom billion are in Africa, but countries such as Haiti, Bolivia, and Laos are also significant contributors.

Wherever they live, the bottom billion have incomes of only about a fifth of those in other developing countries. They also have many other serious problems, such as these:

- A low life expectancy of about 50 years (the average is 67 in other developing nations).
- A high infant mortality rate (14 percent of the bottom billion die before their fifth birthday, versus 4 percent in other developing countries).
- A higher likelihood of malnourishment (36 percent of the bottom billion show symptoms of malnutrition, as opposed to 20 percent in other developing countries; Collier 2007).

The nations that encompass most of the bottom billion rank near the bottom of the global stratification system. These countries are extremely poor, exert little or no power on the global stage, and have little prestige. Furthermore, their situations have worsened in recent years as a result of the global recession (Alexander 2010). However, these nations still aspire to move up the global ladder. Some,



Poverty Knowledge



Infant mortality is common among the world's bottom billion inhabitants. Here an eight-month-old victim of cholera is buried in eastern Congo, where war has intensified life-threatening problems of crowding and sanitation.

such as India and especially China, have had great success in recent decades in improving their positions in the global stratification system (although in India the pace of success has recently slowed down). However, most nations at the bottom face huge, if not insurmountable, barriers to improving their positions, including frequent conflicts with neighbors, civil wars, and revolutions (Collier 2007). They are also likely to have experienced one bad government after another. Some, like Somalia, are “failed states” that have virtually no national government and, as a result, have lost control of much, or even all, of their own countries. Perhaps of greatest importance is the fact that the situation in such countries has grown worse in recent years (Alexander 2010). Many have fallen further behind not only the developed countries but the other less developed countries as well.

## RACE TO THE BOTTOM

Those nations that rank low in the global stratification system often have to engage in a so-called economic race to the bottom in order to have a chance of eventually moving up the global hierarchy. The basic method is to offer lower prices than the competition—usually other low-ranking countries. Such nations may lower prices by reducing costs, which they do by offering their citizens lower wages, poorer working conditions, longer hours, ever escalating pressure and demands, and so on. An especially desperate nation will go further than the others to decrease wages and working conditions in order to reduce costs and attract the interest of multinational corporations. However,

the “winning” less-developed nation remains a favorite of the multinationals only until it is undercut by another low-ranking country eager for jobs. In other words, the countries that get the work are those that “win” the race to the bottom. These, of course, are almost always questionable victories, since the work is poorly paid and subjects workers to horrid circumstances.

## ASK YOURSELF

What could the Global North do to reduce other countries' need to engage in the race to the bottom? Why have such efforts so far been few and generally ineffective? How would slowing or even ending the race to the bottom affect the trend toward consumerism in the countries of the Global North?

A similar point is made, albeit in far more general terms, by Pietra Rivoli (2005) in her study of the global market for T-shirts. If one takes the long historical view, the nations that won the race to the bottom centuries ago are now among the most successful economies in the world. In textiles, the race to the bottom was won first by England, then the United States, Japan, and then Hong Kong. The most recent winner of this race was China, which now is moving up industrially and economically.

Rivoli generalizes examples from the global textile industry to argue that nations must win the race to the bottom in order ultimately to succeed. Victory in this race is, in her view, the “ignition switch” that turns the economy on and gets it rolling. Thus, she concludes, those who criticize globalization are misguided in their efforts to end this race.

Rivoli's view seems to endorse the race to the bottom for all countries interested in development. However, we must take note of the fact that it leads them deeper into poverty, for at least a time. It also greatly advantages the wealthy North, which is guaranteed a continuing source of low-priced goods and services as one country replaces another at the bottom. Winning the race to the bottom is no guarantee of moving up the global stratification system, but it is a guarantee of low wages and poverty in developing countries in the South and of cheap goods for the middle and upper classes in the North.

## THE GLOBAL DIGITAL DIVIDE

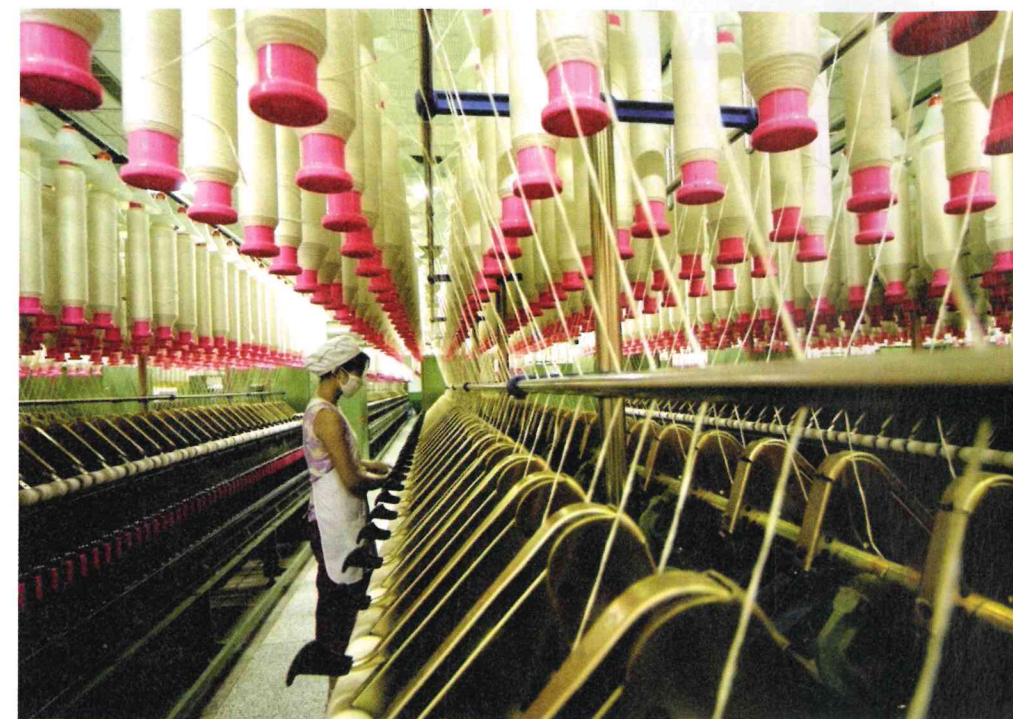
The Internet allows for participation, at least theoretically, by anyone, anywhere in the global, digital economy.

However, although this is true in principle, in reality there is a daunting global digital divide (Drori 2006, 2010). For example, while almost 80 percent of those in North America are Internet users, only slightly more than 10 percent of those in Africa use the Internet.

The main barriers to global equality in Internet access and use are the lack of infrastructure within less-developed countries. Also important are the low incomes in those areas that make complex digital technologies, and therefore access to the Internet, prohibitively expensive. Language represents another source of inequality on the Internet. Most webpages are in English, and very few are in languages other than English, German, Japanese, French, Spanish, or Swedish (Bowen 2001; EnglishEnglish.com N.d.). Clearly, those who do not speak any of these languages—the overwhelming majority of whom live in the Global South—are at a huge disadvantage on the Internet. They may even find the Internet completely inaccessible because of the language barrier.

However, there are signs that the digital divide is being reduced significantly. This was clear, for example, in the wide-scale use of social media in the 2010–2011 Arab Spring revolutions in Tunisia, Libya, and especially Egypt (see Chapter 17). The digital divide is beginning to be bridged by the rising accessibility of relatively simple and inexpensive personal data assistants (PDAs), iPhones, other smartphones, iPads, and tablets that are essentially mini-computers. Industry analysts indicate that mobile Internet access is ramping up significantly faster than desktop Internet access ever did.

An important reason for the rapid expansion of mobile access is not only that mobile devices are relatively inexpensive, but that they do not require the expensive, hardwired infrastructure needed by traditional computers and computer systems. Cellular signal access provides Internet access at increasingly high speeds. Much of the less-developed world will be able to leapfrog stages of technological development that were experienced by the



The “race to the bottom” in the global economy is won by those countries, like China, that can produce needed goods like textiles at the lowest price. What is winning worth, however, if it means that a country's workers must accept a substandard wage?

developed world. Similarly, less-developed nations have leapt straight to solar power rather than erecting huge power plants run by coal, oil, or nuclear energy. Some nations avoided having to build fixed phone line systems by moving straight to mobile phone technology. Leapfrogging traditional computer systems and adopting PDAs instead could greatly reduce the global digital divide in a relatively short period.

## CHECKPOINT 8.6

## GLOBALIZATION ISSUES IN STRATIFICATION

The Global North and South	The Global North encompasses the wealthiest and most powerful nations, which dominate, control, exploit, and oppress the South, which has little or no power or prestige on the global stage.
The Bottom Billion	The bottom billion have incomes one-fifth of those in developing countries, lower life expectancy, higher infant mortality, and greater risk of malnutrition.
The Race to the Bottom	Desperate nations compete to decrease wages and working conditions in order to reduce costs and attract multinational corporations.
The Global Digital Divide	Access to the Internet is prohibitively expensive and hampered by language barriers for those in the Global South.

## SUMMARY

Social stratification results in hierarchical differences and inequalities. In the money-based stratification system in the United States, wealth and income are the main determinants of social class. However, as Weber argued, social stratification also involves status and power.

Since the 1970s, the United States has experienced increasing income inequality. However, the greatest economic differences in U.S. society are due to differences in wealth. People with great wealth often have high class, status, and power and can usually pass most of those advantages to future generations. Those who have little have a difficult time amassing their own wealth.

In the United States, the measure of absolute poverty is the poverty line, the level of income that people are thought to need in order to survive in our society. Members of minority groups, women, and children are overrepresented among the poor. Many more Americans feel themselves to be poor relative to others, but when we measure their status in absolute terms, they are far better off than the poor in some other parts of the world.

While individuals in the United States have generally experienced intergenerational upward mobility, it seems likely that young

people in the twenty-first century will experience more downward mobility. Sociologists are also concerned about structural mobility, or changes in the occupational structure.

Structural-functional theories of stratification argue that societies need a system of stratification in order to function properly. Conflict theorists challenge this assumption, particularly the idea that positions at the higher end of the stratification system are always more important. Several globally focused conflict theories address colonialism, imperialism, and postcolonialism and their effect on stratification. Finally, symbolic interactionists view stratification as a process or set of interactions among people in different positions.

Social stratification is related to consumption in a number of ways. Those in the higher classes can afford expensive items that those in the lower classes cannot. Elites use their patterns of consumption to distinguish themselves, sometimes conspicuously, from those beneath them. Stratification also occurs on a global level. Most often, analysts talk about a divide between the Global North and the Global South. However, we can further distinguish a very poor bottom billion. Many nations engage in a "race to the bottom" to attract investment by multinational organizations.

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## REVIEW QUESTIONS

1. According to Max Weber, what are the various dimensions of social stratification? What are some examples of people who rank high on each of these dimensions? Other than the examples discussed in the chapter, can you identify individuals who are status-inconsistent?
2. How does the system of social stratification in the United States differ from the symbolic exchange system of stratification discussed by Jean Baudrillard? How are the two systems of social stratification related to values in society?

3. What is the difference between income and wealth? Which is more important to explaining the differences between the haves and the have-nots? Why?
4. How has inequality in the United States changed since the 1970s? In what ways are the explanations for these trends related to globalization?
5. What are the differences between absolute and relative poverty? How can we use inter/actionist theories to understand relative poverty?
6. What do we mean by the feminization of poverty? What factors help to explain the position of women in the system of social stratification?

7. How has the nature of individual social mobility in the United States changed since the 1900s, and in what ways are these changes related to structural mobility?
8. According to structural-functional theories, how is inequality beneficial to society? How can the income and wealth of celebrities and sports stars be used as a criticism of this model?
9. How does stratification operate at the global level? In what ways are the bottom billion disadvantaged in the global stratification system?
10. How does access to the Internet and new technologies relate to the system of stratification? How can the Internet be used to alter the system of stratification?

## APPLYING THE SOCIOLOGICAL IMAGINATION

According to Pierre Bourdieu, elites create a distinction between themselves and the masses of people by defining "good taste." For this exercise, examine how taste works in the social world by taking a look at items in an industry of your choice (e.g., fashion, food, art, clothing, cars, homes) that supposedly reflect "good taste."

If necessary, use the Internet to research tasteful items in the industry you choose (search words like *luxury*, *designer*, *gourmet*, etc.). Go to different websites and pay attention to how the items are marketed and the language used to describe them. In what ways are differences created around these products? How do lower-cost items mimic these items? Do you think that globalization and the Internet are changing how taste differentiates people? Why or why not?

## STUDENT STUDY SITE

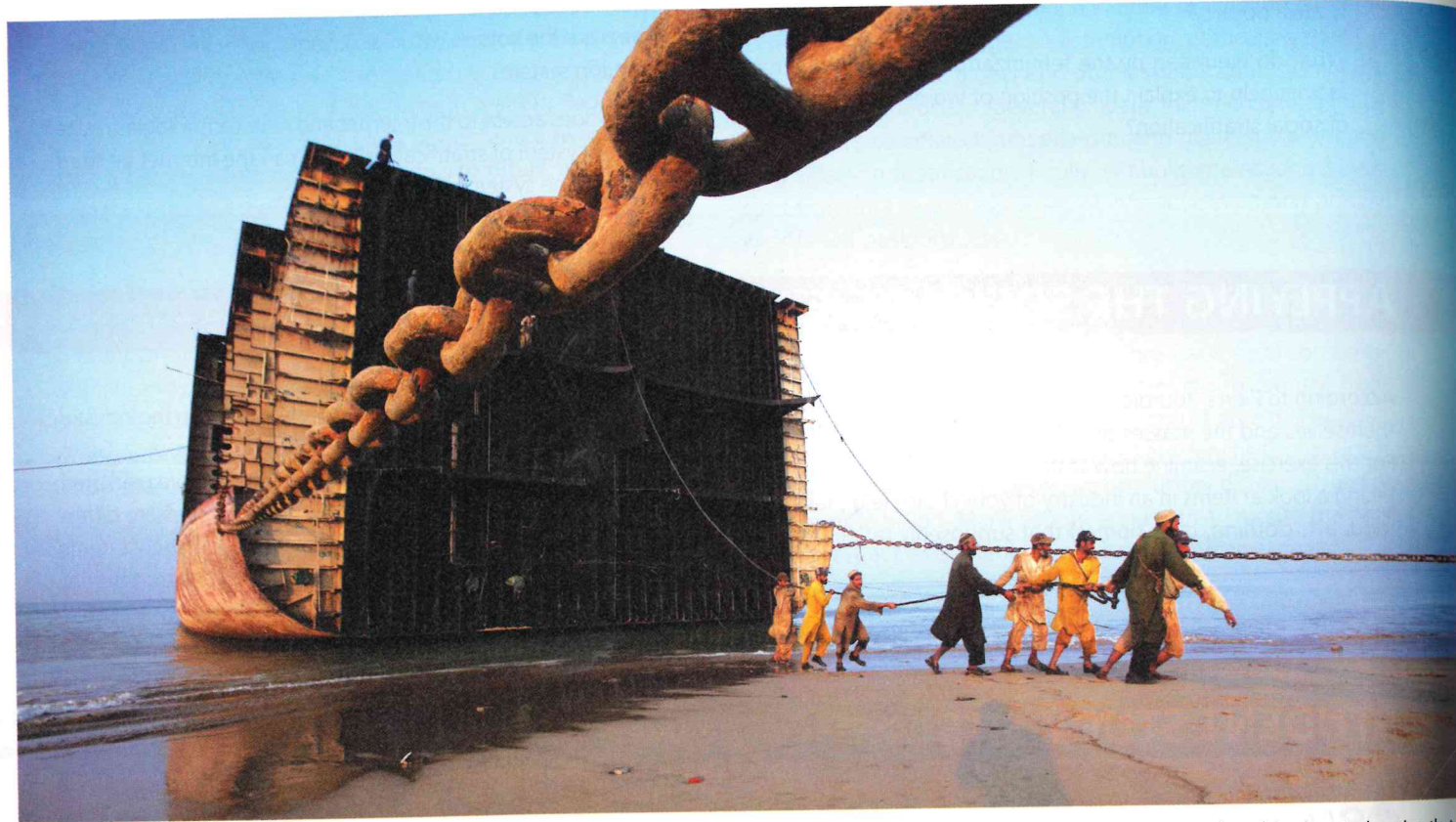


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## Harsh Realities of Work in the Global World

Labor-saving machines, job benefits, and laws that mandate clean and safe working conditions and prohibit child labor now characterize the work lives of many in the world's industrialized nations. These protections and benefits are not universal, however.



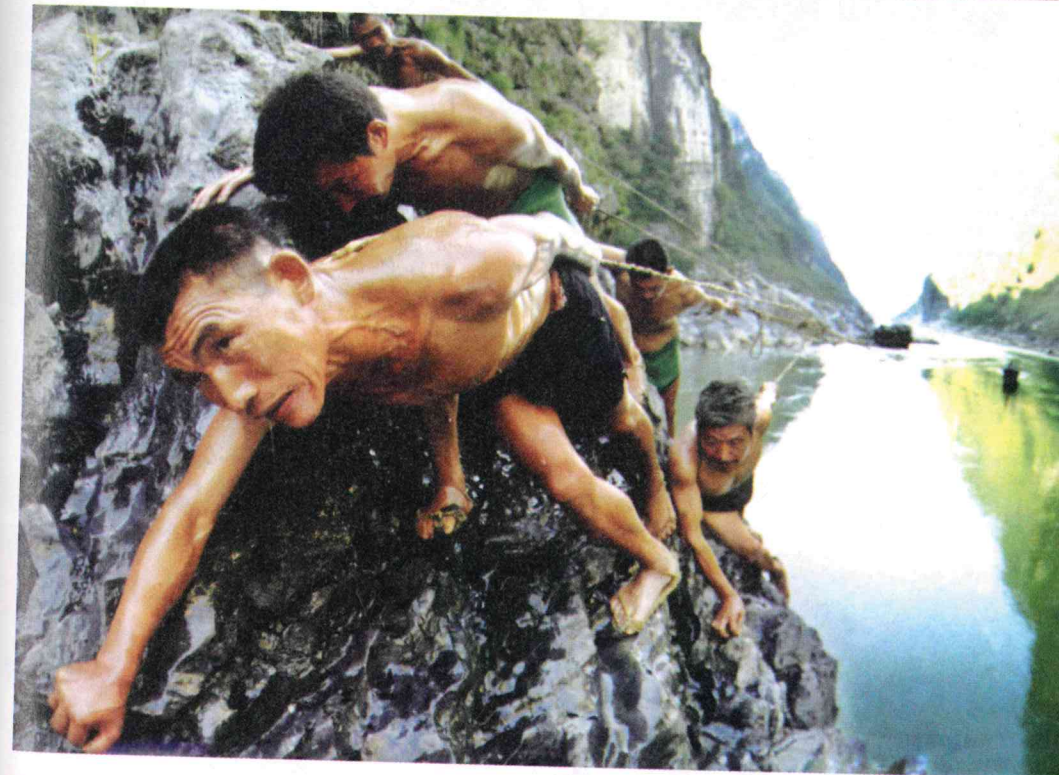
▲ The brutally dangerous work of breaking ships up for scrap metal occupies 15,000 people on Pakistan's seacoast, most of whom earn no more than about \$4 a day at a location that has been called a death trap.



▲ Children still labor in many parts of the world. This 13-year-old boy carries engine parts in an auto workshop in Mumbai, India (left), and another child (right) works without the protection of shoes or gloves to earn a few dollars a day at a brick-making factory outside Kabul in Afghanistan.



▲ Equally dangerous work is done far above the ground. This worker services an electricity pylon in the Angui province of China.



◀ Chinese workers manually haul a boat upstream on the Wu Jiang River, a tributary of China's Yangtze River—grueling work that has been done this way for thousands of years.

### THINKING ABOUT SOCIOLOGY

1. How do the conditions of the work you do, or hope to do, compare with the conditions in the photos?
2. Who benefits from the very low level of pay that characterizes the kinds of work shown here? Think globally before you answer.
3. **Essay question:** Describe the political, economic, and social forces in both the industrialized and the developing worlds that help maintain the kinds of jobs and working conditions sampled in these photos. What needs to change in order to improve the lives of workers in developing countries? What risks should be avoided in the process?