

## Chapter 2 – In Marx’s Wake: Theories of Social Stratification and Social Inequality

### Chapter Overview

Theories of social stratification and social inequality help to show the ways in which theorists explain why there are differences in wealth, education, power, and prestige. The chapter begins with a discussion of structural-functionalist theory and the theorists who assert that society runs in a conflict-free and well-ordered fashion. Social inequality exists because society is structured to give different reward systems to those who have certain skills or training and have sacrificed to be where they are. As a result of their special skills and training, these individuals deserve to be rewarded according to Kingsley Davis and Wilbert Moore.

Melvin Tumin, on the other hand, contends that not everyone with special skills or advanced training receives more compensation than those without those skills or training. He also argues that there are other factors at play such as being able to negotiate higher compensation, having had generations of family members who benefited financially that allows students to benefit from certain types of educations and careers, and other factors that play a role in the development and maintenance of social stratification and social inequality.

Conflict theories are another way of explaining the existence of social stratification and social inequality. Karl Marx’s theory focuses on the economy, namely capitalism, and one’s relationship to the means of production. Those who are the owners of the means of production, the bourgeoisie, are in a position to benefit from the work of the laborers, the proletariat. If the proletariat were not in a state of false consciousness they would see that the system is not set up to work in their favor.

Whereas Marx focused on two main groups, Max Weber explains social stratification by focusing on three factors: class, power, and party. He contends that under the concept of party, there are three different types of authority: bureaucratic, traditional, and charismatic. Eric Wright, on the other hand, takes Marx’s focus on ownership of the means of production and expands it to include this group and three others: those who have control over ownership, those who have control over employees, and skill level variations. Lastly, Perrucci and Wysong introduce the notion of a “superclass.” They focus on the privileged, the haves, and the have-nots, using seven different occupationally-based classes.

The last section of the chapter is on the power-elite theories. While this theory continues to be dominated by C. Wright Mills’s theory of the power-elite, which consists of the military circle, political leadership, and corporate elite, other theorists have continued to expand on it. For instance, William Domhoff examines the upper-class-centered corporate elite. By attending the same schools, clubs, and having the same networks, the upper class can wield power and influence decisions. He argues that their use of an “interlocking directorate” strategically places individuals who tend to be older, white, and male in positions of power. This is important because

it includes their connection to their own corporations and to others they do not own but with which they form mutually beneficial relationships.

Dye addresses the institutional elite, those who are found in prominent public or private organizations. He also notes the prevalence of certain characteristics among this group. They are mostly 60 years of age, white Anglo-Saxon Protestants, male, college-educated with advanced degrees, and hold memberships in social clubs. This group also has a core group of interlockers, similar to Domhoff's concept of an inner circle.

### **Learning Objectives**

1. Explain how Davis and Moore's structural-functionalist theory explains social inequality.
2. Explain Tumin's counterargument of Davis and Moore's explanation of social inequality.
3. Describe the two main concepts that are at the core of Marxism and Marxism's two main classes.
4. Define *false consciousness* and explain its role in the prevalence of social inequality.
5. Explain the strengths and weaknesses of Marxism.
6. Describe the three main dimensions of Weber's theory of social inequality.
7. Explain how Wright's theory of social inequality expands upon Marxist theory.
8. Discuss the characteristics of the "superclass" in Perrucci and Wysong's theory of class.
9. Describe C. Wright Mills's three branches of the power elite.
10. Explain how Domhoff built upon Mills's explanation of the power-elite theory by discussing the role of the interlocking directorate.
11. Explain Dye's theory of the power elite and its focus on the institutional elite.

### **Chapter Outline**

- I. The Davis-Moore Theory of Social Stratification
- II. Marxist Theory of Capitalism and Social Stratification
  - a. The Economic Structure of Marxist Theory
  - b. Marx's Capitalist Class System
  - c. Marx on Revolution and Its Aftermath
  - d. Commentary
    - i. weaknesses
    - ii. strengths
- III. The Marxist Impact Illustrated: Three Social-Stratification Theories
  - a. Weber's Theory of Class, Status, and Power
    - i. class
    - ii. status
    - iii. party
      1. authority
        - a. bureaucratic authority

- b. traditional authority
    - c. charismatic authority
  - b. Wright's Perspective on Class
    - i. control over ownership
    - ii. control over the production process
    - iii. control over the employees
    - iv. skill level
  - c. Penucci and Wysong's Theory of Class
- IV. The Power-Elite Theories
  - a. Mills's Power-Elite Perspective
    - i. the political leadership
    - ii. the military circle
    - iii. the corporate elite
  - b. Domhoff's Theory of the Upper-Class-Centered Corporate Community
    - i. interlocking directorate
  - c. Dye's Theory of the Institutional Elite

### **Key Terms**

authority	superstructure
bourgeoisie	surplus value
bureaucratic system of authority	traditional system of authority
capitalism	
charismatic system of authority	
conflict theory	
conspicuous consumption	
false consciousness	
ideology	
interlocking directorate	
lumpenproletariat	
means of production	
mode of production	
petite bourgeoisie	
pluralism	
power elite	
proletariat	
reserve army of labor	
socialism	
sociological theory	
structural-functional theory	
substructure	

## Questions for Class Discussion

1. What would have to happen before the socialist economic system replaced capitalism according to Marx?
2. Which among the conflict theories do you believe is strongest? Which is the weakest?
3. How different is Wright's theory of social inequality from Marx's?
4. Do you think that false consciousness among workers exists? Explain.
5. Should interlocking directorates be prohibited?
6. What do you think is the best explanation for social inequality and why?
7. Do you participate in conspicuous consumption?
8. Is charismatic authority more or less powerful than other forms of authority?

## Web Links

1. Who Rules America? Professor William Domhoff's website dedicated to a discussion of power in America. Contains explanations of interlocking directorates and gives an example of an interlocking directorate by listing those companies that are connected to one corporation, Citibank.  
[www2.ucsc.edu/whorulesamerica/power/corporate\\_community.html](http://www2.ucsc.edu/whorulesamerica/power/corporate_community.html)
2. Marxists.org. "Marx & Engels Internet Archive." Searchable database of dates, subjects, quotes, and collected and selected works of Karl Marx and Frederick Engels.  
[www.marxists.org/archive/marx](http://www.marxists.org/archive/marx)
3. Business Week. "Conspicuous Consumption is Back." Examines the increase in conspicuous consumption since 2008 following the economic recession.  
[www.businessweek.com/investor/content/Jan2011/pi20110127\\_382340.htm](http://www.businessweek.com/investor/content/Jan2011/pi20110127_382340.htm)