

CHAPTER IV

STATUS GROUPS AND CLASSES¹

I. Class Situation and Class Types

"Class situation" means the typical probability of

1. procuring goods
2. gaining a position in life and
3. finding inner satisfactions,

a probability which derives from the relative control over goods and skills and from their income-producing uses within a given economic order.

"Class" means all persons in the same class situation.

- a) A "property class" is primarily determined by property differences.
- b) A "commercial class" by the marketability of goods and services.
- c) A "social class" makes up the totality of those class situations within which individual and generational mobility is easy and typical.

Associations of class members—class organizations—may arise on the basis of all three types of classes. However, this does not necessarily happen: "Class situation" and "class" refer only to the same (or similar) interests which an individual shares with others. In principle, the various controls over consumer goods, means of production, assets, resources and skills each constitute a *particular* class situation. A *uniform* class situation prevails only when completely unskilled and propertyless persons are dependent on irregular employment. Mobility among, and stability of, class positions differs greatly; hence, the unity of a social class is highly variable.

2. Property Classes

The primary significance of a positively privileged property class lies

- in
- a) its exclusive acquisition of high-priced consumers goods,
 - β) its sales monopoly and its ability to pursue systematic policies in this regard,
 - γ) its monopolization of wealth accumulation out of unconsumed surpluses,
 - δ) its monopolization of capital formation out of savings, i.e., of the utilization of wealth in the form of loan capital, and its resulting control over executive positions in business,

e) its monopolization of costly (educational) status privileges.

I. Positively privileged property classes are typically *rentiers*, receiving income from:

- a) men (the case of slave-owners),
- b) land,
- c) mines,
- d) installations (factories and equipment),
- e) ships,
- f) creditors (of livestock, grain or money),
- g) securities.

II. Negatively privileged property classes are typically

- a) the unfree (see under "Status Group"),
- b) the declassed (the *proletarii* of Antiquity),
- c) debtors,
- d) the "paupers".

In between are the various "middle classes" (*Mittelstandsklassen*), which make a living from their property or their acquired skills. Some of them may be "commercial classes" (entrepreneurs with mainly positive privileges, proletarians with negative ones). However, not all of them fall into the latter category (witness peasants, craftsmen, officials).

The mere differentiation of property classes is not "dynamic," that is, it need not result in class struggles and revolutions. The strongly privileged class of slave owners may coexist with the much less privileged peasants or even the declassed, frequently without any class antagonism and sometimes in solidarity (against the unfree). However, the juxtaposition of property classes *may* lead to revolutionary conflict between

1. land owners and the declassed or
2. creditor and debtors (often urban patricians versus rural peasants or small urban craftsmen).

These struggles need not focus on a change of the economic system,

but may aim primarily at a redistribution of wealth. In this case we can speak of "property revolutions" (*Besitzklassenrevolutionen*).

A classic example of the lack of class conflict was the relationship of the "poor white trash" to the plantation owners in the Southern States. The "poor white trash" were far more anti-Negro than the plantation owners, who were often imbued with patriarchal sentiments. The major examples for the struggle of the declassed against the propertied date back to Antiquity, as does the antagonism between creditors and debtors and land owners and the declassed.

3. Commercial Classes

The primary significance of a positively privileged commercial class lies in

a) the monopolization of entrepreneurial management for the sake of its members and their business interests,

β) the safeguarding of those interests through influence on the economic policy of the political and other organizations.

I. Positively privileged commercial classes are typically *entrepreneurs*:

a) merchants,

b) shipowners,

c) industrial and

d) agricultural entrepreneurs,

e) bankers and financiers, *sometimes* also

f) professionals with sought-after expertise or privileged education (such as lawyers, physicians, artists), or

g) workers with monopolistic qualifications and skills (natural, or acquired through drill or training).

II. Negatively privileged commercial classes are typically *laborers* with varying qualifications:

a) skilled

b) semi-skilled

c) unskilled.

In between again are "middle classes": the self-employed farmers and craftsmen and frequently:

a) public and private officials.

b) the last two groups mentioned in the first category [i.e., the "liberal professions" and the labor groups with exceptional qualifications].

4. Social Classes

Social classes are

a) the working class as a whole—the more so, the more automated the work process becomes,

b) the petty bourgeoisie,

c) the propertyless intelligentsia and specialists (technicians, various kinds of white-collar employees, civil servants—possibly with considerable social differences depending on the cost of their training),

d) the classes privileged through property and education.

The unfinished last part of Karl Marx's *Capital* apparently was intended to deal with the issue of class unity in the face of skill differentials. Crucial for this differentiation is the increasing importance of semi-skilled workers, who can be trained on the job in a relatively short time, over the apprenticed and sometimes also the unskilled workers. Semi-skilled qualification too can often become monopolistic (weavers, for example, sometimes achieve their greatest efficiency after five years). It used to be that every worker aspired to be a self-employed small businessman. However, this is less and less feasible. In the generational sequence, the rise of groups a) and b) into c) (technicians, white-collar workers) is relatively the easiest. Within class d) money increasingly buys *everything*, at least in the sequence of generations. In banks and corporations, as well as in the higher ranks of the civil service, class c) members have a chance to move up into class d).

Class-conscious organization succeeds most easily

a) against the immediate economic opponents (workers against entrepreneurs, but *not* against stockholders, who truly draw "unearned" incomes, and also *not* in the case of peasants confronting manorial lords);

b) if large numbers of persons are in the same class situation,

c) if it is technically easy to organize them, especially if they are concentrated at their place of work (as in a "workshop community"),

d) if they are led toward readily understood goals, which are imposed and interpreted by men outside their class (intelligentsia).

5. Status and Status Group (Stand)

"Status" (*ständische Lage*) shall mean an effective claim to social esteem in terms of positive or negative privileges; it is typically founded on

a) style of life, hence

b) formal education, which may be

- a) empirical training or
- β) rational instruction, and the corresponding forms of behavior,
- c) hereditary or occupational prestige.

In practice, status expresses itself through

- a) connubium,
- β) commensality, possibly
- γ) monopolistic appropriation of privileged modes of acquisition or the abhorrence of certain kinds of acquisition,
- δ) status conventions (traditions) of other kinds.

Status *may* rest on class position of a distinct or an ambiguous kind. However, it is not solely determined by it: Money and an entrepreneurial position are not in themselves status qualifications, although they may lead to them; and the lack of property is not in itself a status disqualification, although this may be a reason for it. Conversely, status may influence, if not completely determine, a class position without being identical with it. The class position of an officer, a civil servant or a student may vary greatly according to their wealth and yet not lead to a different status since upbringing and education create a common style of life.

A "status group" means a plurality of persons who, within a larger group, successfully claim

- a) a special social esteem, and possibly also
- b) status monopolies.

Status groups may come into being:

- a) in the first instance, by virtue of their own style of life, particularly the type of vocation: "self-styled" or occupational status groups,
- b) in the second instance, through hereditary charisma, by virtue of successful claims to higher-ranking descent: hereditary status groups, or
- c) through monopolistic appropriation of political or hierocratic powers: political or hierocratic status groups.

The development of hereditary status groups is generally a form of the (hereditary) appropriation of privileges by an organization or qualified individuals. Every definite appropriation of political powers and the corresponding economic opportunities tends to result in the rise of status groups, and vice-versa.

Commercial classes arise in a market-oriented economy, but status groups arise within the framework of organizations which satisfy their wants through monopolistic liturgies, or in feudal or in *ständisch*-patrimonial fashion. Depending on the prevailing mode of stratification, we shall speak of a "status society" or a "class society." The status group

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comes closest to the social class and is most unlike the commercial class. Status groups are often created by property classes.

Every status society lives by conventions, which regulate the style of life, and hence creates economically irrational consumption patterns and fetters the free market through monopolistic appropriations and by curbing the individual's earning power. More on that separately.

NOTES

1. For the early formulation of class and status, see Part Two, ch. IX:6. (R)