

Class & Economic Inequality

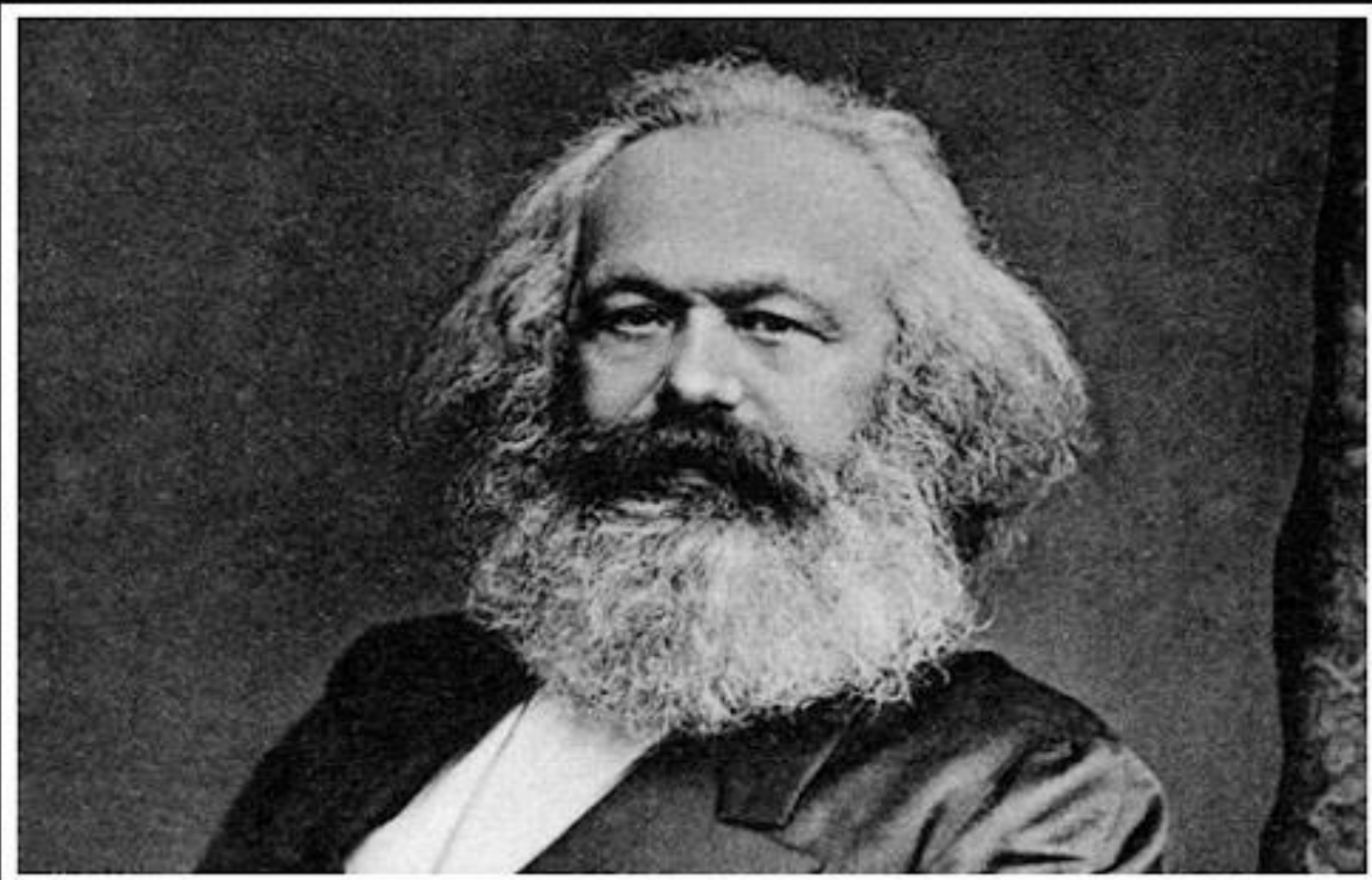


Introduction to Sociology | Hunter College
Jessie Daniels, PhD

Today

- Sociological theories of class
- Changes to capitalism
- SES, stratification, mobility & merit
- Global inequality
- What we live with now: neoliberalism

functionalist v. conflict



The history of all hitherto existing society
is the history of class struggles

Karl Marx

Industrial Capitalism



**Capitalist
Class**

**Maximize
profit;
reduce
labor
costs**



**Maximize
wages;
improve
working
conditions**

**Working
Class**

Industrial Capitalism



Max Weber





class



status

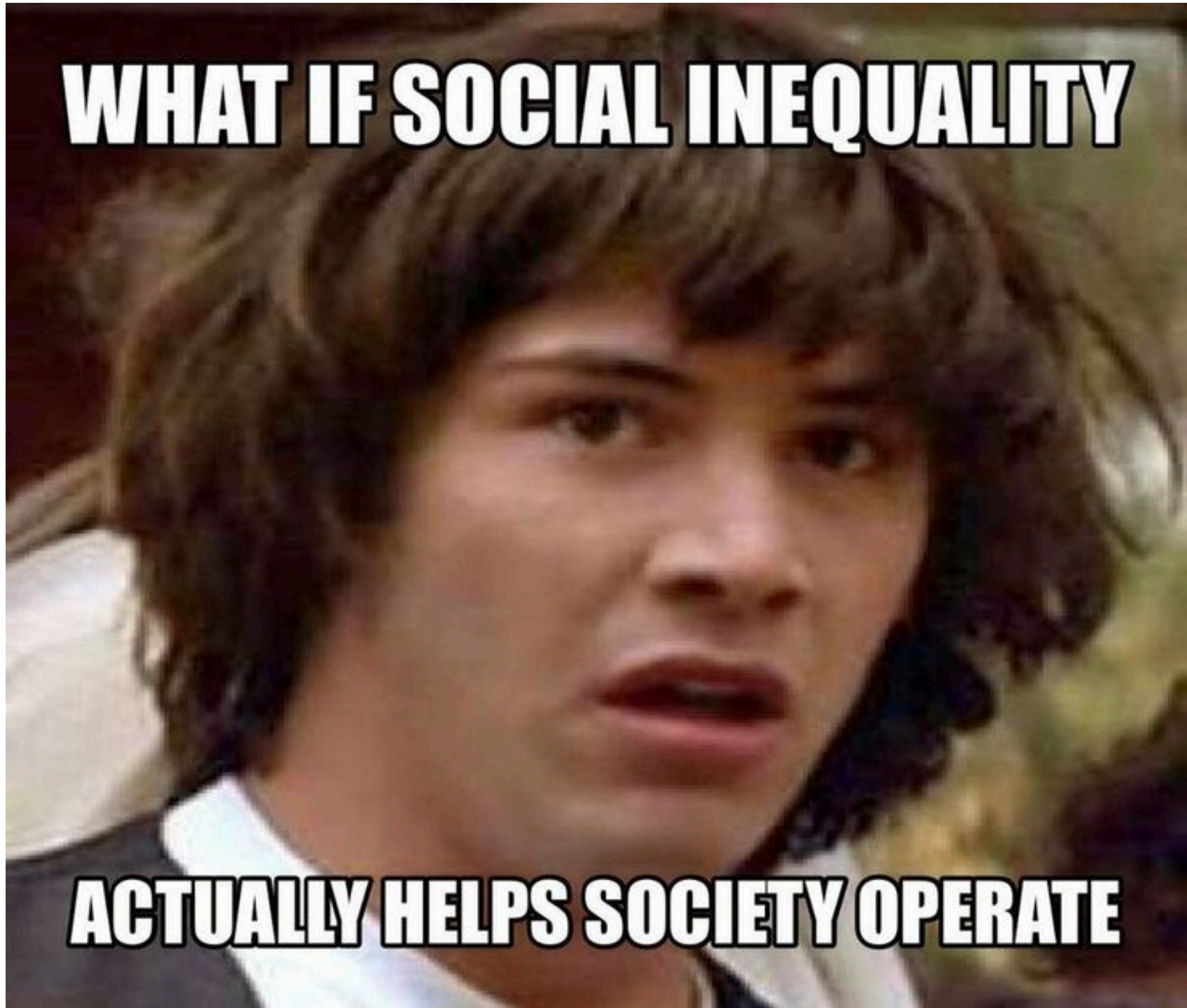


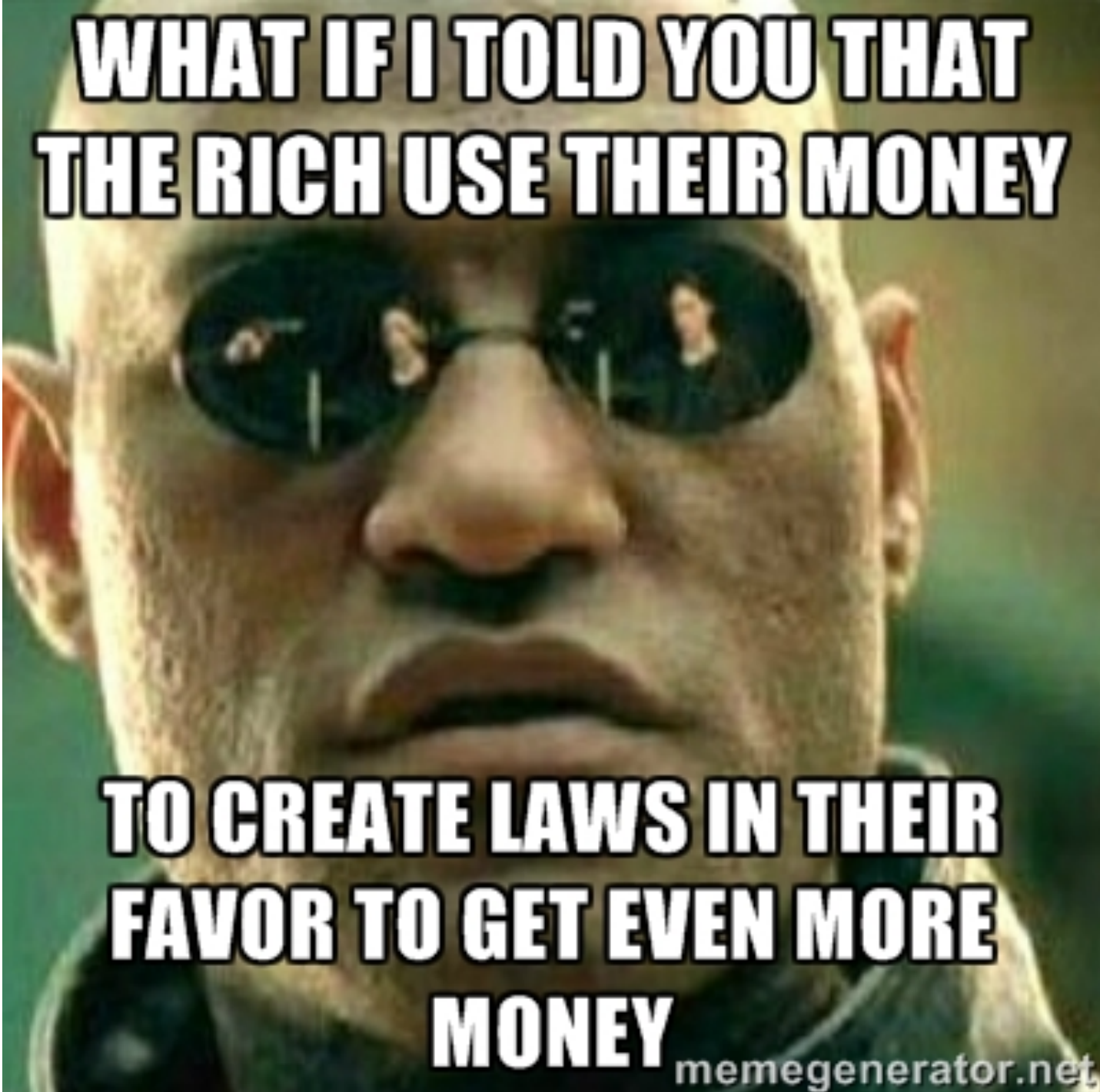
power

functionalist v. conflict

WHAT IF SOCIAL INEQUALITY

ACTUALLY HELPS SOCIETY OPERATE

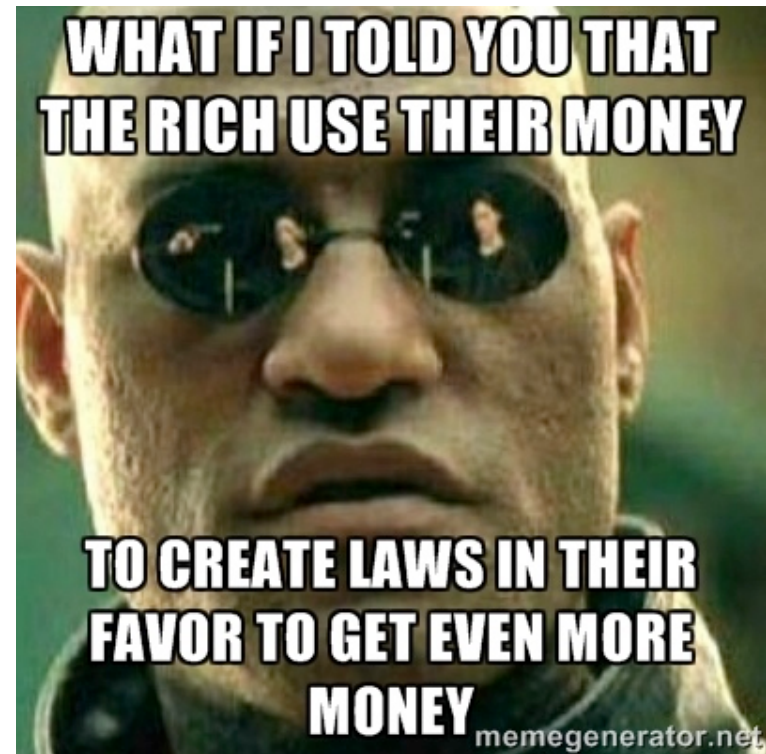
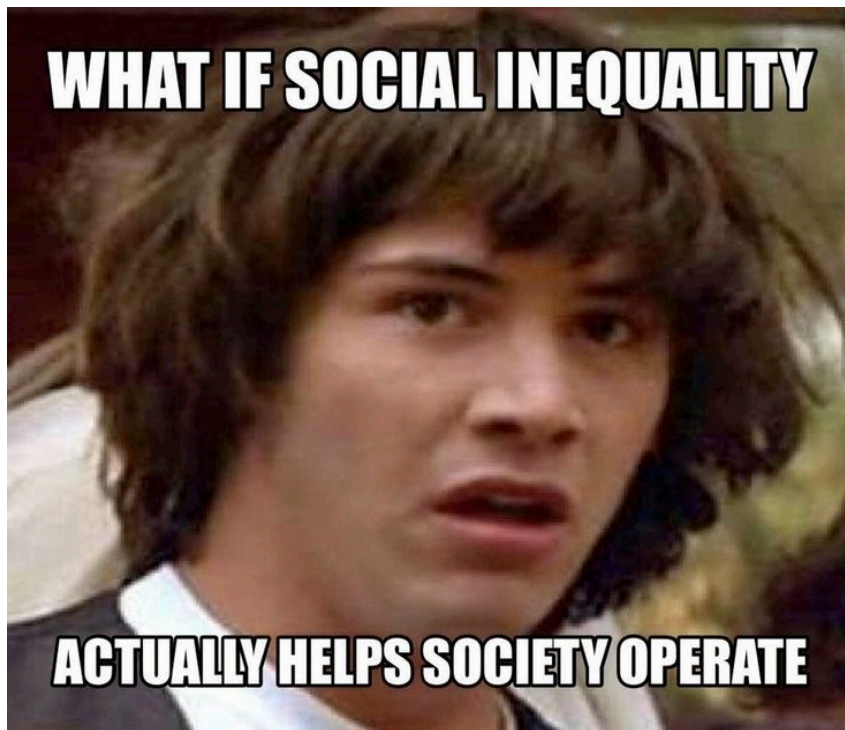




**WHAT IF I TOLD YOU THAT
THE RICH USE THEIR MONEY**

**TO CREATE LAWS IN THEIR
FAVOR TO GET EVEN MORE
MONEY**

functionalist v. conflict



what about gender and race?

gender + race

“The emancipation of woman will only be possible when woman can take part in production on a large, social scale, and domestic work no longer claims anything but an insignificant amount of her time.”

~ Friedrich Engels

“...the income-bearing value of race prejudice was the cause and not the result of theories of race inferiority; that particularly in the United States the income of the Cotton Kingdom based on Black slavery caused the passionate belief in [Black] inferiority and the determination to enforce it even by arms.”

~ WEB DuBois

<new economic era>

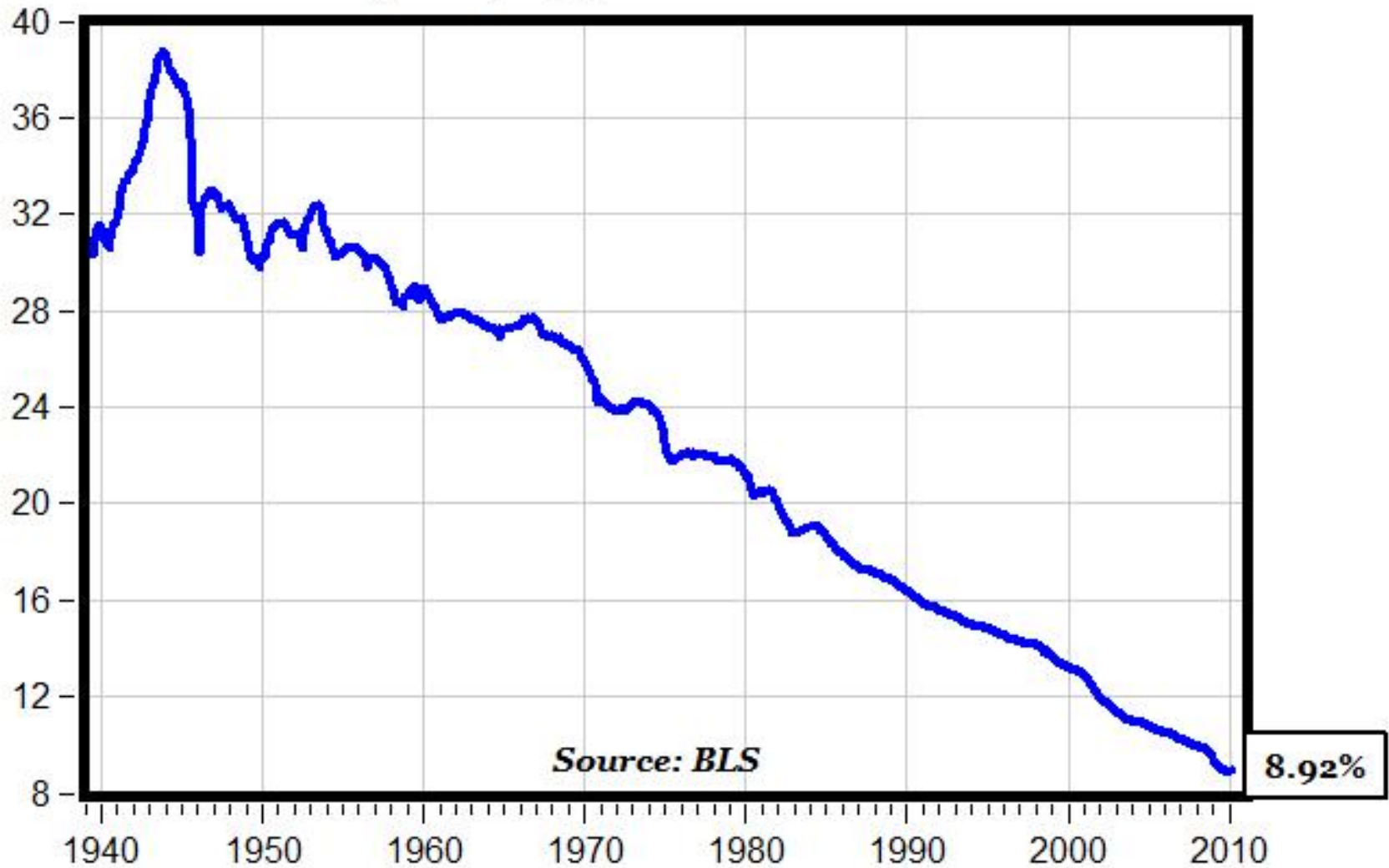
deindustrialization



globalization



Manufacturing Jobs, % of Total Jobs January 1939 to March 2010



what happened?

shift to information & service economy



1960

● Goods-producing ● Service-providing



595,200
employees
General Motors



580,400
Bell System
(later AT&T)



260,000
Ford Motor



260,600
General Electric



225,100
U.S. Steel



208,000
Sears, Roebuck



153,000
Supermarket
chain



140,000
Later Exxon



138,300
Bethlehem Steel



132,000
International
Telephone &
Telegraph



114,000
Westinghouse
Electric



105,700
U.S. military
contractor



105,400
Chrysler



105,300
Sperry Rand



104,300
International
Harvester

from creating goods to providing services

manufacturing jobs not coming back



importance of college education

2010



2,100,000
Walmart



538,000
A job placement
agency



426,751
I.B.M.



400,600
Package
delivery
company



400,000
McDonald's
Corporation



378,000
Operator of Taco
Bell, KFC, Pizza
Hut



355,000
Target



338,000
Grocery retailer



324,600
Hewlett-Packard



321,000
Home
improvement
retailer



312,000



294,000



288,000



287,000



280,000



how do sociologists study class?

<SES, stratification, mobility, merit>

socioeconomic status (SES)

SES = Income + Education + Occupation

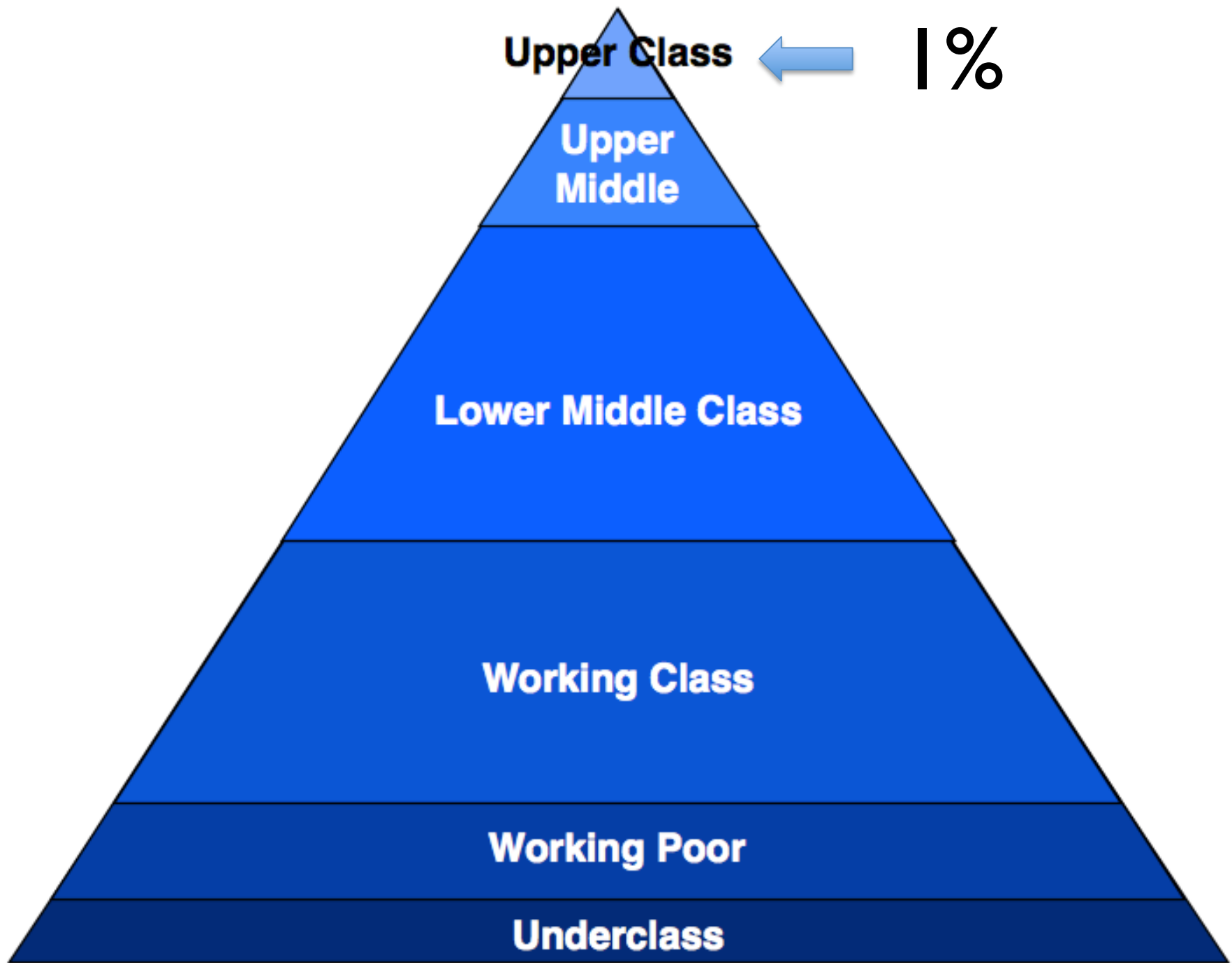


can you think of mis-matches?



stratification





mobility: is the **movement** of individuals, families, households, within or **between social strata in a society**. It is a change in social status relative to others' social location within a given society.

Going up?

AGE 30
\$1800

AGE 40 \$3500

AGE 50 \$5000

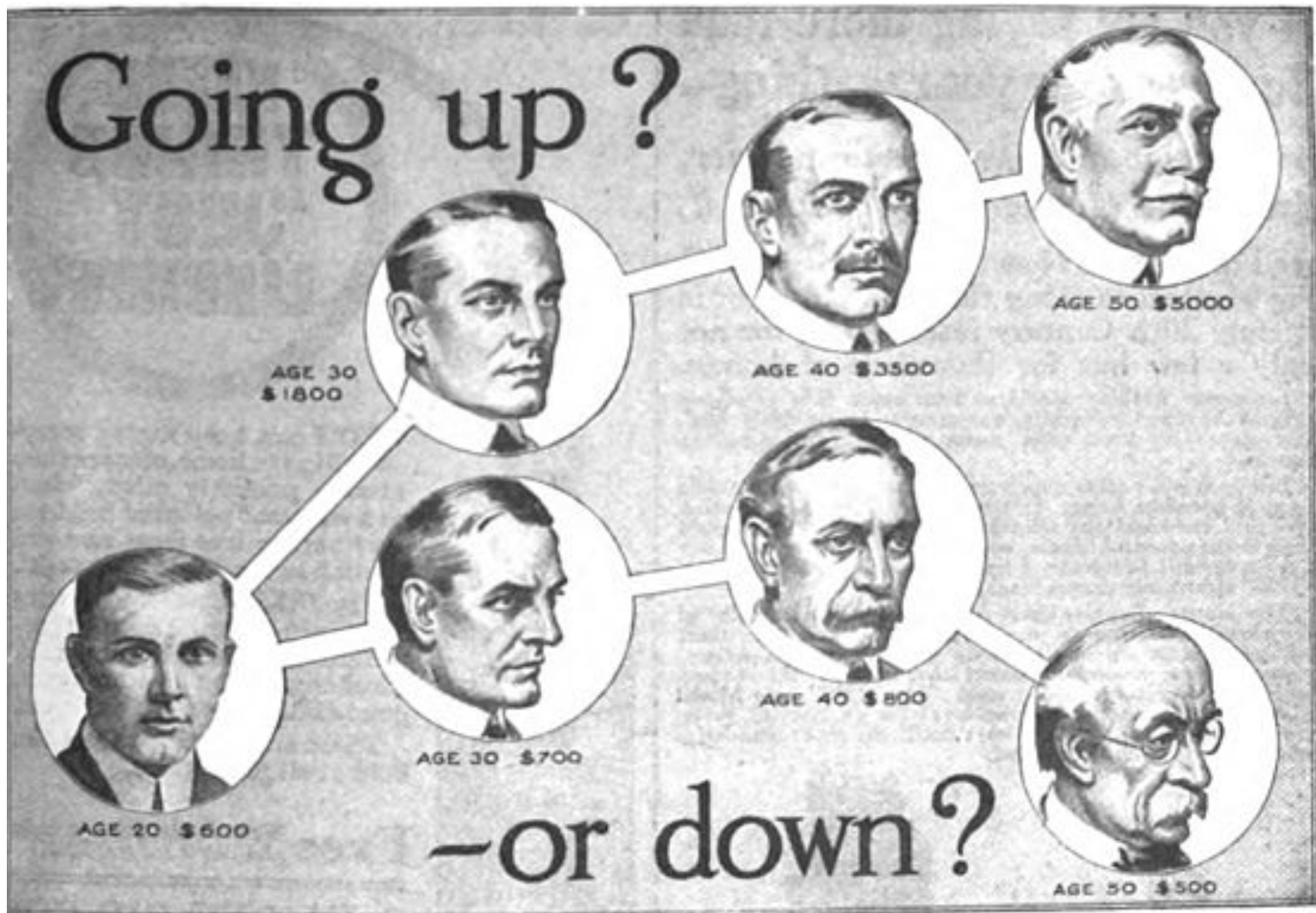
AGE 40 \$800

AGE 30 \$700

AGE 20 \$600

AGE 50 \$500

-or down?



how much mobility is there in the UK?

“56 Up” – very little class mobility



what about class mobility in the US?

What Ever Happened To **Upward Mobility?**

THERE'S MORE CLASS RIGIDITY...

Share of families that remained in
the same income quintile over
each decade

1970s

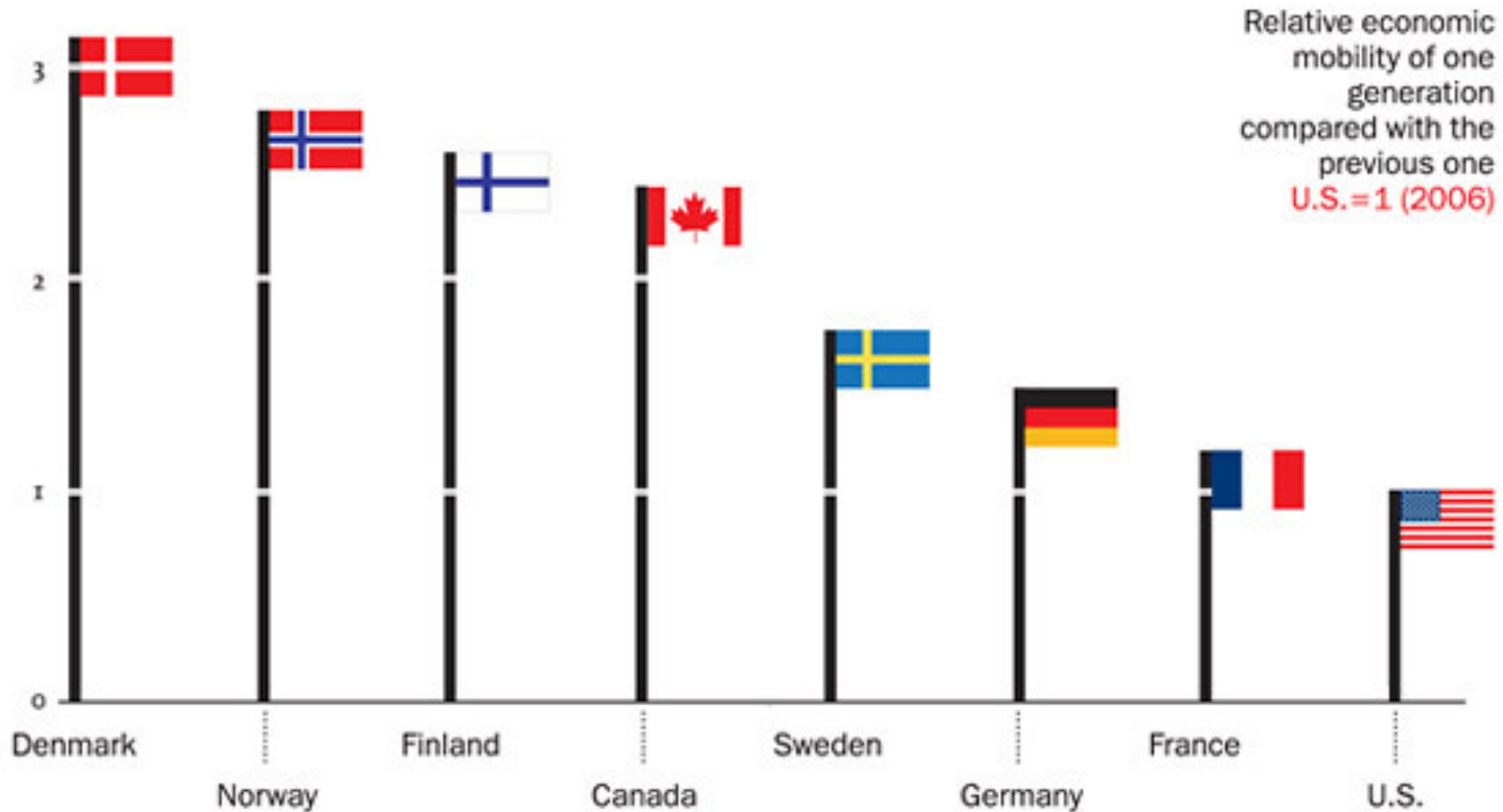
36%

1990s

40%

Why We're Falling Behind

The U.S. trails other Western industrialized nations in many of the key areas that influence a person's prospects for economic mobility





NOVEMBER 14, 2011

The hard truth about
income inequality
BY RANA FOROOHAR

Either fix our schools
or get used to failure
BY FAREED ZAKARIA

Pew poll:
iPhones vs. IRAs
BY MICHAEL CROWLEY

TIME

CAN YOU STILL

MOVE UP IN

AMERICA?

\$4.99US \$5.99CAN 4 7
0 92567 10090 3

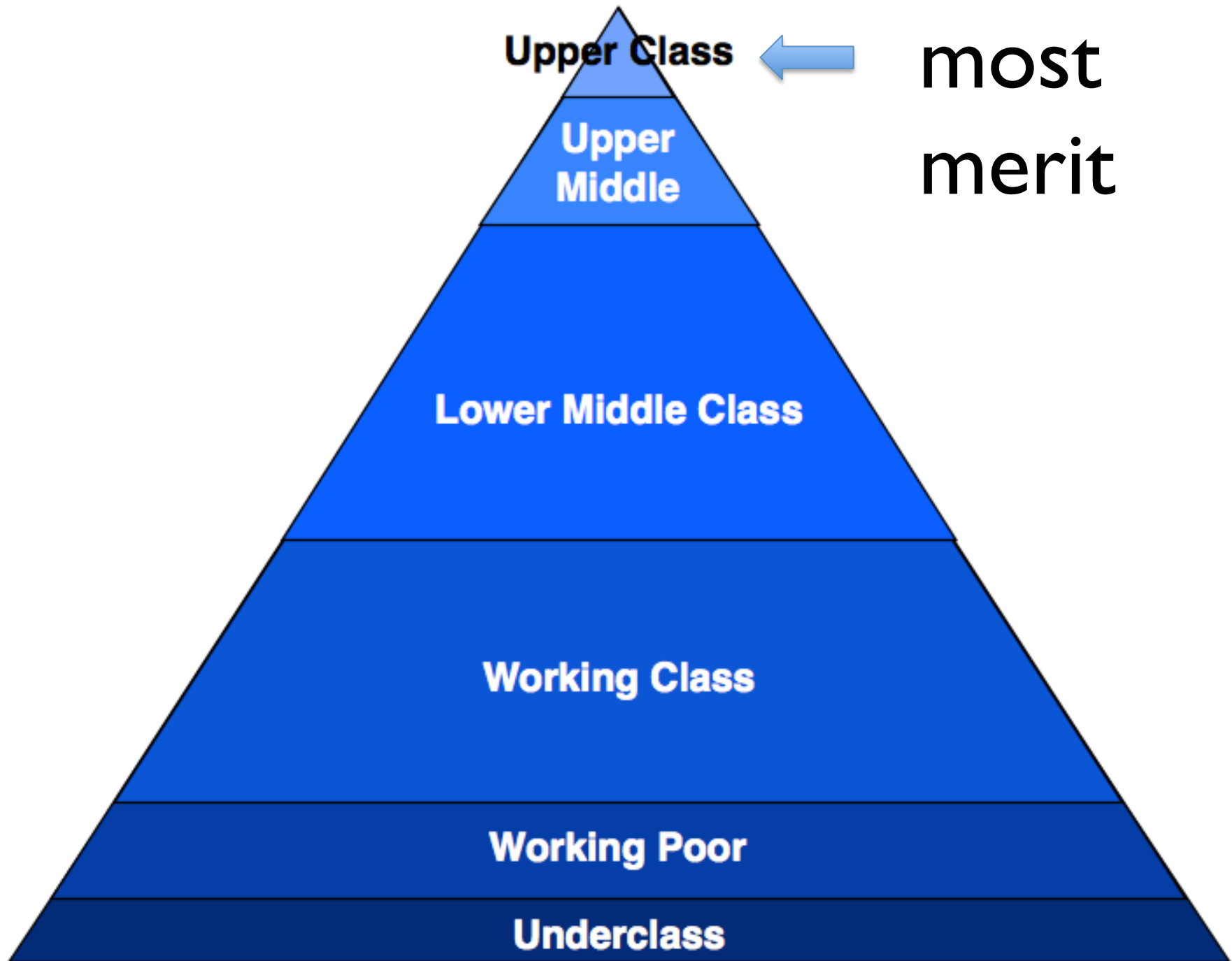
www.time.com

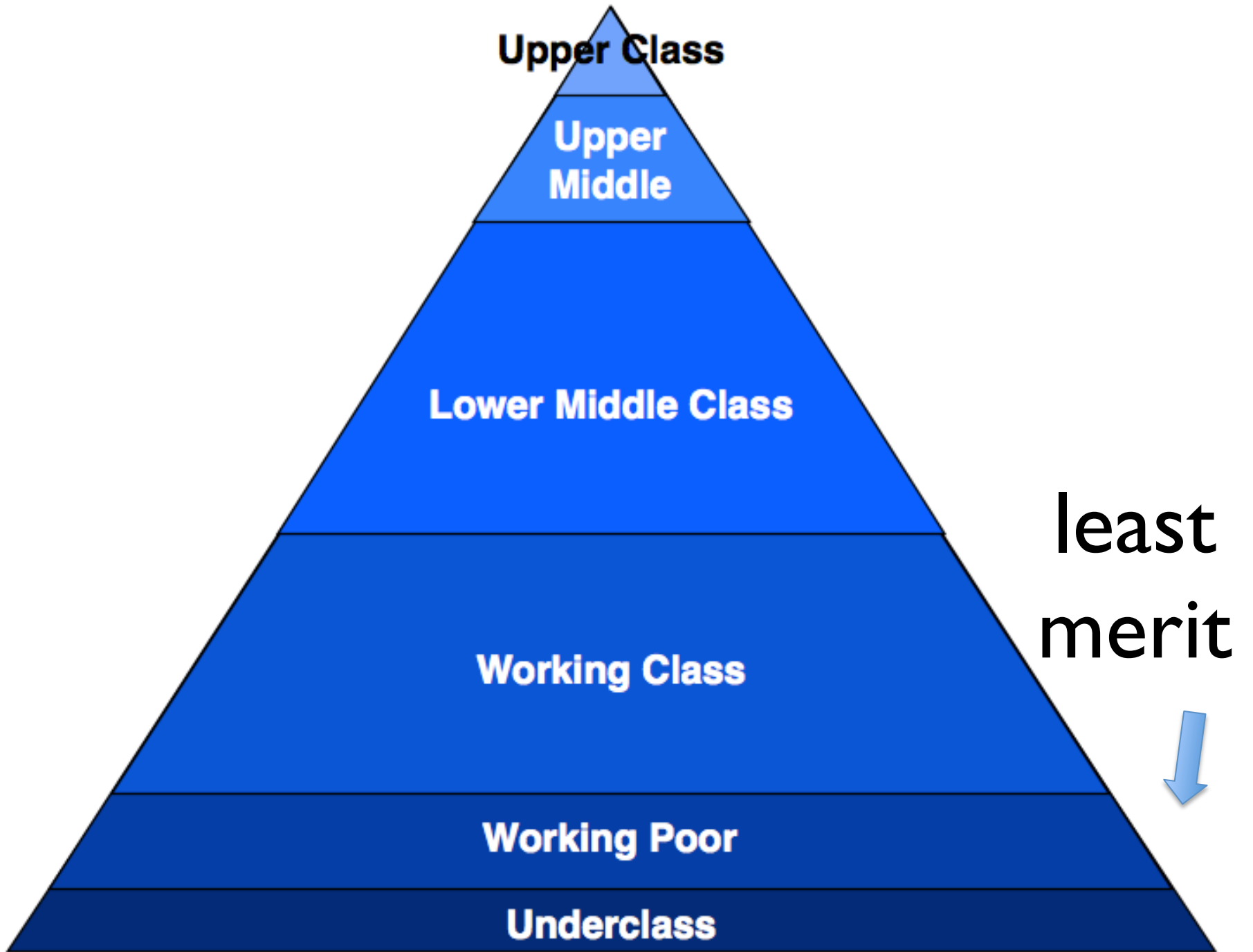


is class mobility in US linked to merit?

Merit or, “human capital,” the **skills, knowledge, and experience** possessed by an individual or population, viewed in terms of their value or cost to an organization or country.

meritocracy





are these the “best” people?

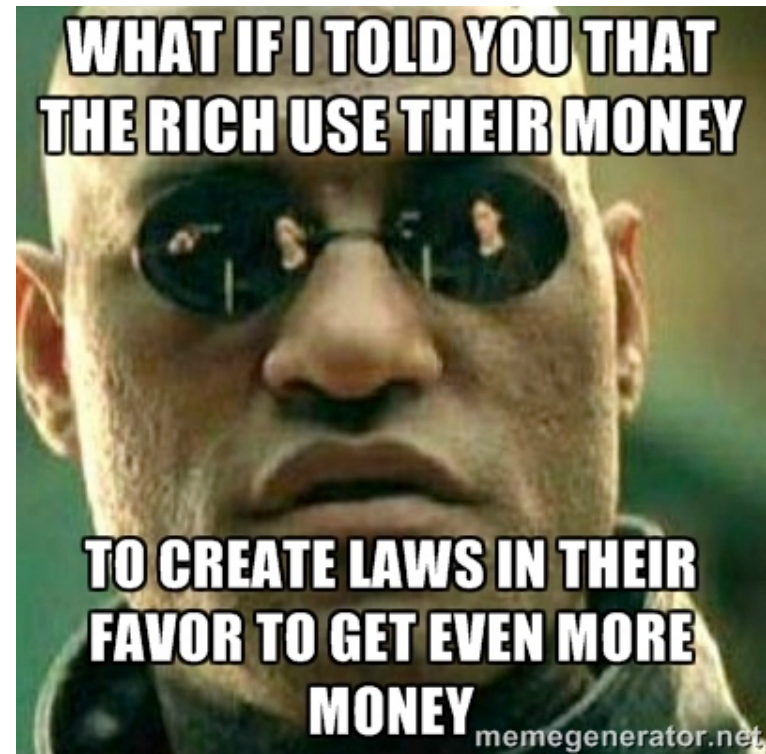
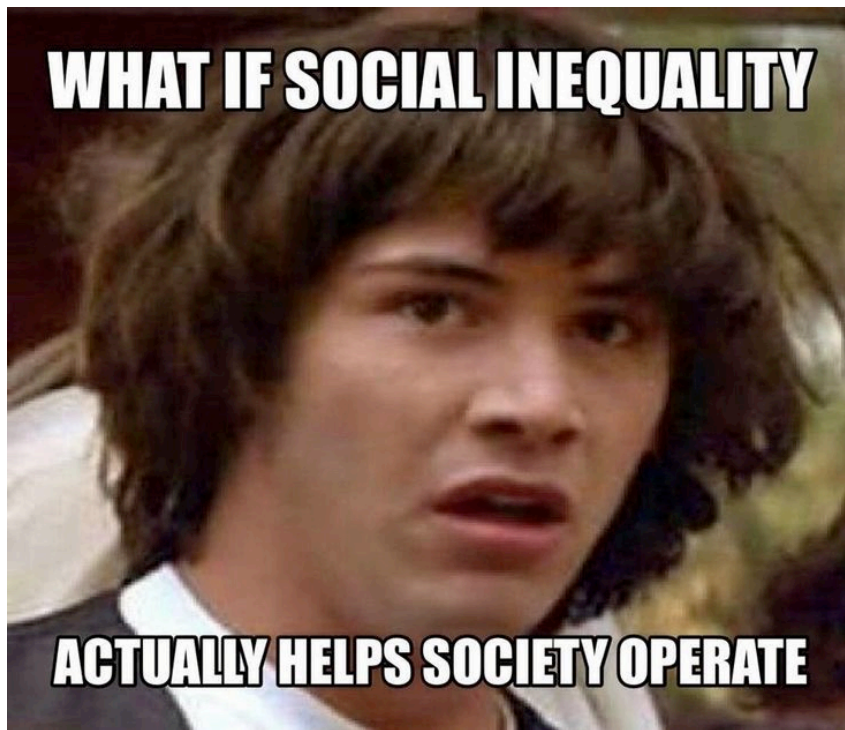
MEET THE RICHEST



OF THE FORBES 400

Forbes
400

functionalist v. conflict



easy to disprove 'meritocracy'



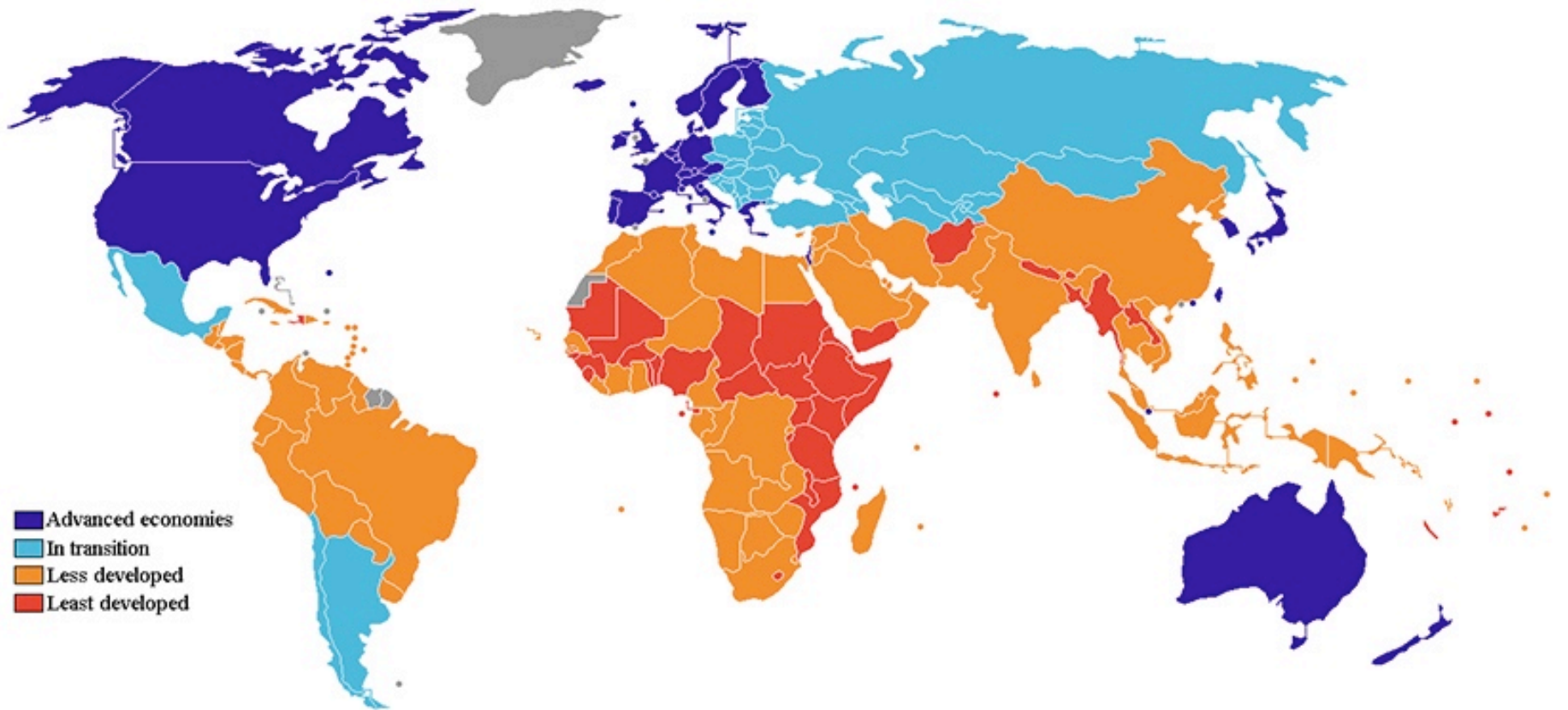
if meritocracy is a myth

why do we fervently believe this myth?

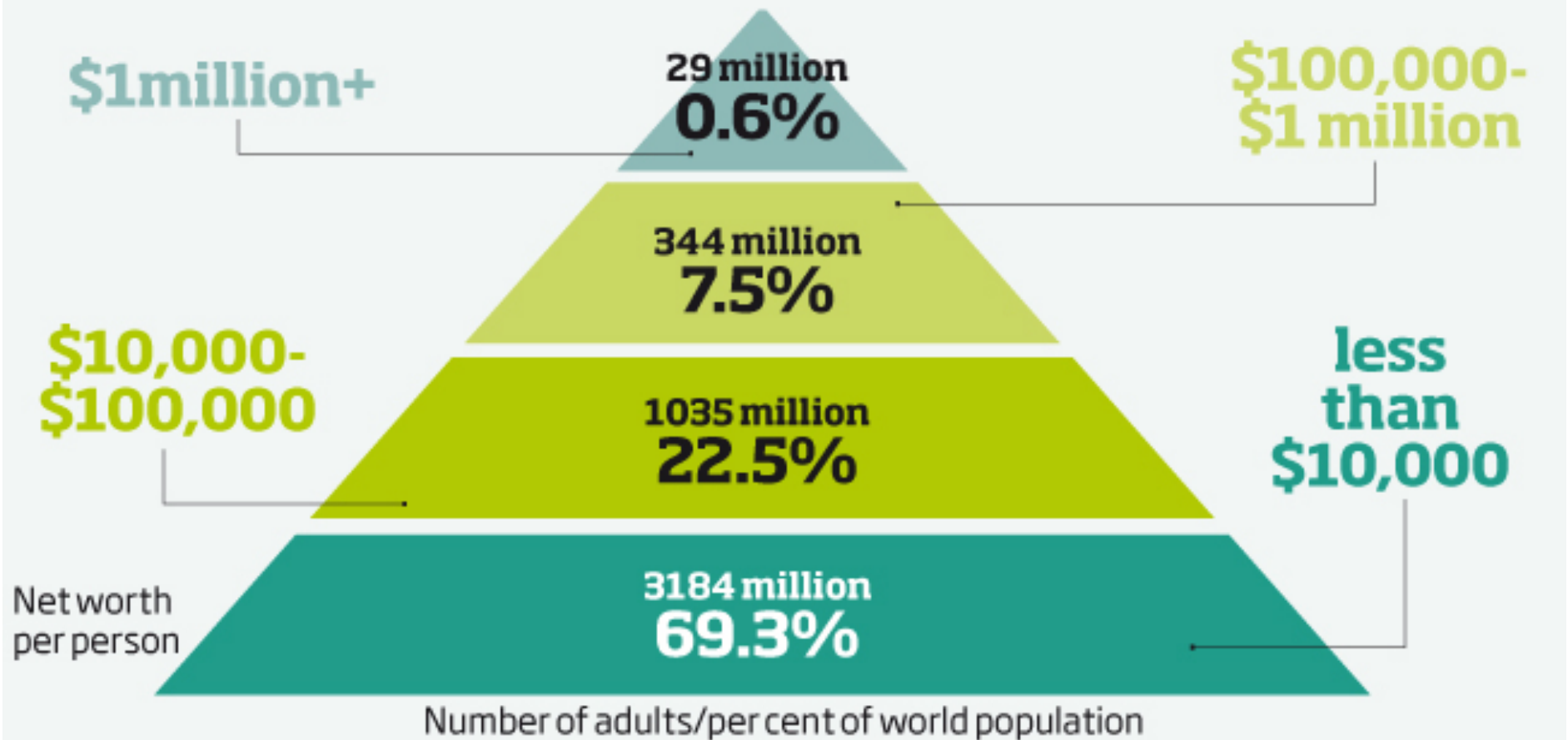
leads to self-blame

and to *punitive social policies*

global inequality



THE GLOBAL WEALTH PYRAMID



All values US dollars

Source: Credit Suisse

62 richest people own the same amount of wealth as **1/2** of the world's population



62 people

3.5 billion people

some societies are **more** unequal

mansions & skid row in L.A.



beachfront condos & favelas in Rio



72nd & 125th : Park Avenue, NYC



Denmark: little inequality



what explains this?

neoliberal capitalism



1980s: Thatcherism & Reaganomics



Neoliberalism - the ideology at the root of all our problems



theguardian

neoliberalism: is both an economic system (late stage capitalism) and an ideological belief that “free market principles” should guide public life.



“Free enterprise has enabled the creative and the acquisitive urges of man to be given expression in a way which benefits all members of society.”

**–Margaret Thatcher
(1925–2013)**

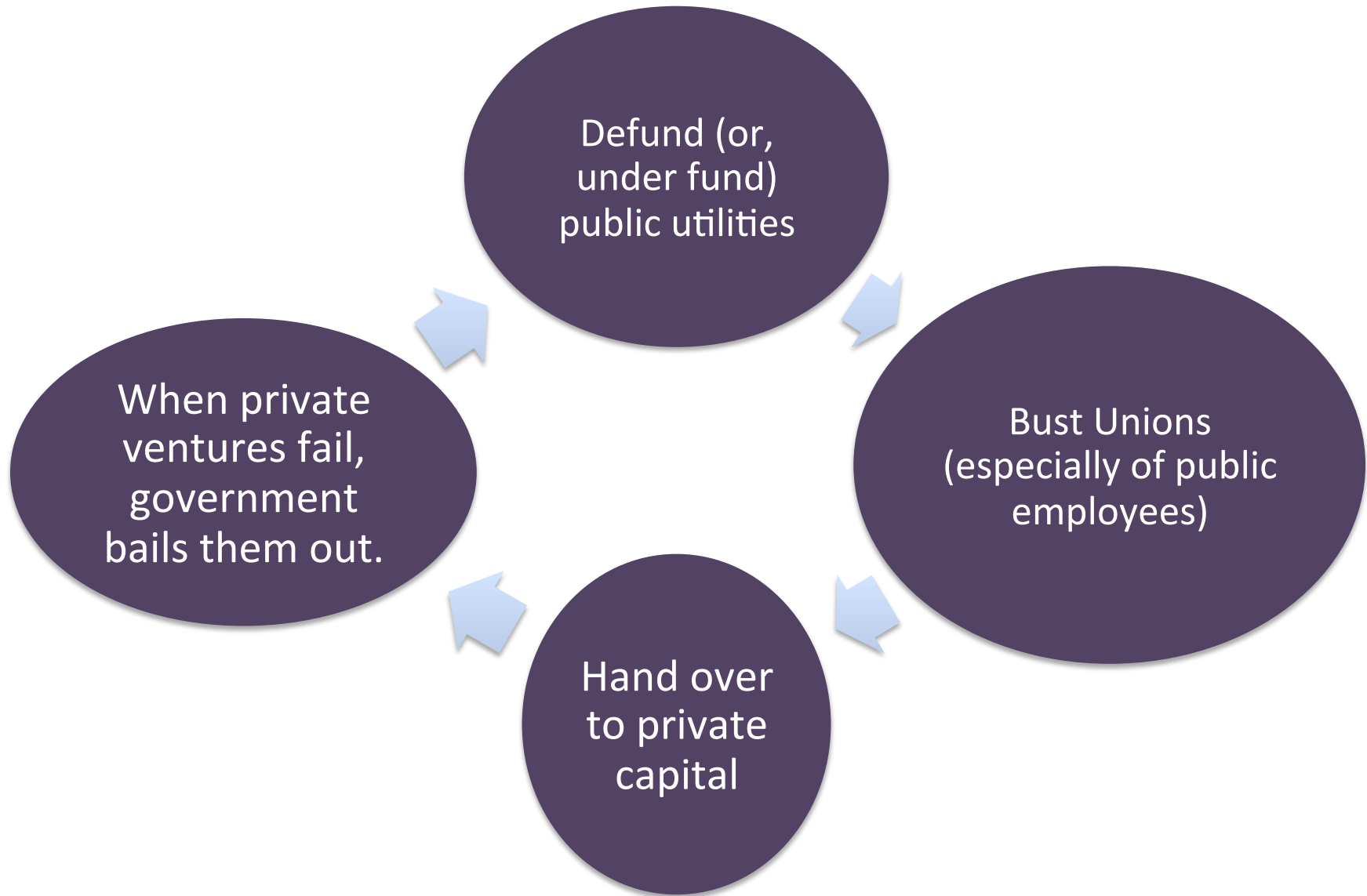


“
**THE BEST VIEW
OF BIG
GOVERNMENT
IS IN THE
REARVIEW
MIRROR AS WE
LEAVE IT BEHIND.**
”

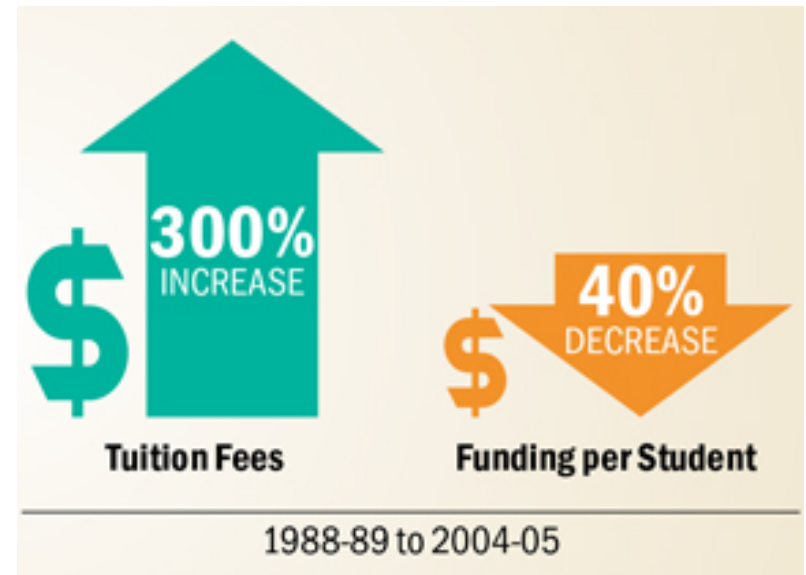
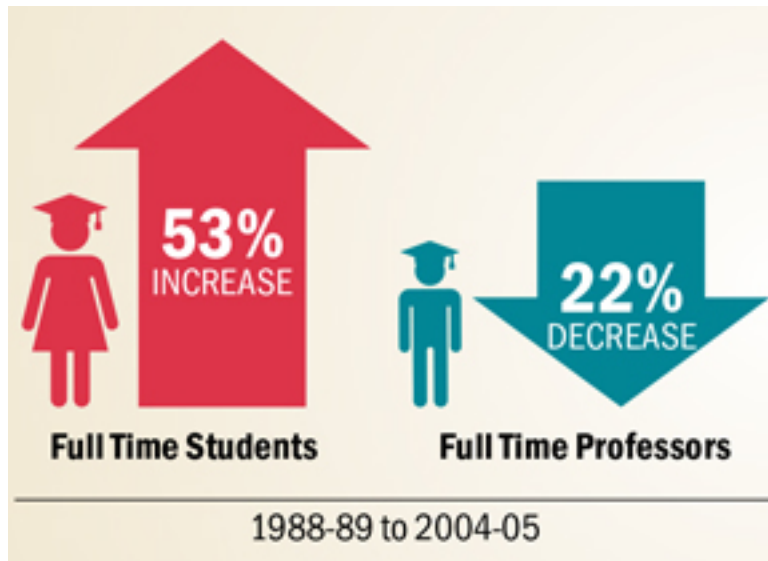
RONALD REAGAN



Privatization of Public Goods & Services



Example: College Education



Example: Post Office



Example: Flint's Water



FEBRUARY 1, 2016

TIME

The Poisoning Of An American City



Toxic water. Sick kids.
And the incompetent
leaders who betrayed Flint

By Josh Sanburn

so, what's going on in Denmark?



First, Gross Domestic Product. Denmark doesn't have the highest per capita GDP in the world (that honor belongs to Luxembourg), but it's in the top 10, with a per capita income of almost \$61,000 per year.



Minimum wages in Denmark are around \$20 per hour, and Danish unions mean strong workers' rights.



Fabian Bimmer/Reuters

There's also a high degree of social support. Researchers gleaned this from answers to a Gallup poll, which asked Danes if they have a friend or family member to turn to in times of trouble.



The official website of the Danish government explains: "Money is not as important as social life here," according to Danish economics professor Christian Bjornskov.



A Big Safety Net and Strong Job Market Can Coexist. Just Ask Scandinavia.



Neil Irwin @Neil_Irwin DEC. 17, 2014



Life expectancy from birth factors in too: Danes live, on average, 80 years.



a better world is possible

**What should you do before
next class?**

**DO IT
NOW**

1. Be sure you've read Ch. 9 & 10
2. Print out the video worksheet for Thursday.
3. Begin reviewing for mid-term.