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The Concept of Class.
Its Uses and Limitations in the Analysis of Social Inequality
in Advanced Capitalist State-Societies

I.

The present paper is part of a larger project I have been working at for some years. My aim is to develop a comprehensive 'Political Sociology of Social Inequality'. Its task is, on the one hand, to provide a theoretical reformulation of the conventional field of class and stratification analysis and, on the other hand, to enlarge the theoretical perspective of inequality research in such a way that it will be able both to cover the international dimension of inequality and to include various 'non-vertical' inequalities, especially the inequality of gender.

Some of this ground has already been covered in various papers published previously. I shall begin by summarizing some of the main points I developed there, as they are the basis of my argument in the present paper.

My starting point is a critique of 'conventional' theories of social inequality. The argument is that, notwithstanding their mutual hostilities, Marxist and Non-Marxist conceptions of class or stratification are not as dissimilar as they claim. In fact, as Stefan Hradil puts it, they have come to a kind of 'defensive coalition'. In particular, they share several essential background assumptions which, in my view, have highly problematic implications:

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2 These papers are listed in the bibliography below.

3 Cf. the widely discussed paper 'in defense of the conventional view' by John Goldthorpe (1983).

4 Hradil (1990: 120).
(1) The main focus of interest of 'conventional' conceptions of social inequality is the social structure of the **nation-state**. Thereby, international inequalities are usually bracketed out of their immediate attention.¹

(2) 'Conventional' theories conceptualize the structure of social inequality as a 'vertical' structure. Thereby, all forms of inequality which cannot be represented on a continuous ranking-scale are reduced to the conceptual status of marginal conditions.

(3) 'Conventional' theories of structured social inequality consider the **occupational order** as 'the backbone of the class structure'² in advanced industrial society; societies are treated as 'work societies' (Arbeitsgesellschaften). Thereby, all those members of society who hold no position in the labour market, such as housewives, students and pensioners, are removed from immediate consideration.

In problematizing these three assumptions I try to develop a political sociology of social inequality which is neither limited by the strait jacket of the nation-state, nor by the compulsory use of the metaphor of 'vertical' structure. As an alternative, and intellectually less inhibiting, metaphor I introduced the centre-periphery-model³. It is based upon the notion of an asymmetrically structured field of power, a 'contested terrain', which allows to conceptualize various forms of vertical and non-vertical, national and international inequalities within a single analytical frame. In particular, it creates conceptual space for the theoretical possibility of 'social inequality without stratification'.⁴

¹ The same point is made with great emphasis by Giddens (1985) and Mann (1986). Ulrich Beck (1991: 22) even speaks of a wide-spread 'presupposition of national causation' (nationalstaatliche Kausalitätsvermutung) taken for granted among conventional macro-sociologists.

Of course, the state-centred approach to social inequality also allows for international comparisons of class structures or mobility patterns. But, characteristically, the aim of such 'conventional' comparative studies is the comparison of separate state societies, not the analysis of the international system of inequality.


⁴ Wrong (1976).
Now, a number of critics have observed that rejecting the vertical model of social inequality implies giving up the notion of 'social class structure' as well\(^1\). I wish to use the present paper to clarify my position in this matter.

II.

Obviously, the 'conventional' conception of social inequality summarized above is not entirely consensual. It leaves considerable scope for disagreement. With respect to the concept of social class, I distinguish three different orientations among 'conventional' theorists, a nominalist and two realist ones:

1. **The nominalist** position is not of particular significance in the present discussion. Nominalist theories of social inequality do not consider 'classes' or 'strata' as 'real' social phenomena, but as mere statistical aggregates. In this tradition the main preoccupation is the vertical grading of individuals according to socially standardized status criteria such as income, qualification, occupational position and prestige, and the empirical investigation of the social conditions and behavioural consequences of status inequality. If the concepts of 'class' or 'stratum' are used at all, they are treated as purely nominalistic constructions, not as 'real' social entities. The merits of this sociographic approach to social inequality are undeniable. But they have very little to do with class theory in the sense I am discussing here.

2. The transition from nominalist to realist conceptions of class can be demonstrated by means of Max Weber's well known terminology. His concepts of 'ownership class' (Besitzklasse) and 'acquisition class' (Erwerbsklasse) are nominalistic classifications categorizing individuals according to their property and their qualification. However, in introducing the notion of 'social class' (soziale Klasse) Weber moves towards a realist position, a position I wish to label *moderate* realism, in distinction to the 'radical' realism I shall discuss below: **Weber** is not satisfied with the mere description of the unequal distribution of property and qualifications. He is also interested in finding out whether individuals sharing a common class position are bound together in socially integrated groups characterized by high interaction density, common value orientations, a specific and exclusive life-style, a distinctive 'class consciousness' etc. Put in more contemporary sociological terms, then, the 'moderate' version of class theory refers to the idea that social inequality leads to the formation of socially integrated 'classes' or 'strata' conceived of as social collectivities with a definite sub-cultural idendity and considerable stability. Furthermore, contemporary followers of Weberian 'moderate class realism' generally assume that the study of the structure of class or stratification occupies 'the central place in macrosociology', as it refers to a crucial conflict of interests in modern society. However, the moderate version of class realism does not include any assumptions about necessary class action and class struggle. Following the example of **Max Weber** himself, it remains agnostic in this respect.

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1 Cf. Weber (1964: 223ff.; 678ff.).

2 Lockwood (1986: 11).
3. On the other hand, class conflict as the driving force of human history is the central tenet of the 'radical' variety of class realism, found in its most explicit form in traditional Marxism. According to this view, dominant and subordinate classes are locked together in inevitable conflict. But under certain material preconditions, the subordinate class relinquishes its role as a mere object of superior historical forces. It transforms itself into a 'historical subject' able to overthrow the traditional class structure. In capitalist society, of course, the 'proletariat' is the class appointed to fulfil this mission. This means that, both theoretically and politically, the question of the revolutionary potential of the proletariat is the key issue of all 'radical' class theories. But to ask this question presupposes that classes can be considered as 'actors' in their own right. It is neither sufficient to treat them as mere classificatory categories, nor as purely 'social' classes with a common economic situation and a shared life-style. The notion of the historical mission of the proletariat can only be maintained, if the working class can be shown to be capable of becoming a 'class in itself and for itself', a class-conscious and politically organized collective actor.

Faced with strong empirical evidence that the proletariat in advanced capitalist societies shows very little inclination to follow its predicted path, most non-Marxist sociologists and even a substantial number of declared Marxists returned to a 'soft' Weberian version of moderate class realism. Their only other alternatives would seem to be either to adopt a nominalist position and to withdraw from class theory, or to preserve their 'radical' class realism as a dogma immunized against empirical falsification.

As a consequence, class theory has undoubtedly experienced a 'Weberian renaissance' in recent years. But this in itself is not without its problems. Today, the 'moderate' Weberian conception of social class itself is coming under increasing empirical pressure, too. There is, for example, the strong feminist challenge against the 'conventional view of class analysis' I discussed elsewhere. In attacking the notion of the conjugal family as the basic unit of class analysis, the feminist critique went at the very roots of the Weberian conception of social class. For how could there be classes as integrated collectivities, if conflicts cutting right across families, such as gender conflicts, generation conflicts or status inconsistencies between family members, are attributed the same theoretical significance as traditional class divisions?

But this feminist critique is only one facet of a more comprehensive debate about the validity of class analysis. This debate has been going on now for a number of years, especially among

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sociologists based in the 'old', pre-unification Federal Republic of Germany1: Evidence has been put forward that the social impact of traditional class cultures and class environments is diminishing and that individualistic orientations and pluralistic patterns of association have gained importance2. Thus, one influential participant in the controversy, Stefan Hradil, argues on empirical grounds that social inequality in modern West German society clusters into seven distinct 'social mileus' which he describes as 'the conservative upper milieu, the petit bourgeois milieu, the traditional worker milieu, the social climber milieu, the technocratic-liberal milieu, the hedonistic milieu and the alternative-leftist milieu3. The crucial point of this classification is that it is neither clearly related to the occupational division of labour, nor can it be translated into an unambiguously vertical stratification or class system. That is, according to Hradil the mentalities and practical life-styles which shape the everyday actions as well as the political behaviour of the members of society cannot (any more) be directly connected to their 'objective' class positions. Although he would not deny that their are still important traces of traditional class cultures remaining4, he argues that the notion of a comprehensive social class structure is becoming increasingly inadequate.

Even more radical is the position held by Ulrich Beck. He argues that advanced capitalist societies are characterized by a strong tendency of social individualization and atomization which leads to a process of 'melting away' of all traditional forms of social class structuration. In his vision of a fully developed capitalist society, social inequality is not any more mediated by intermediate collectivities such as social classes or social milieux. Rather, it is experienced individually by every single member of society.5

Of course, there have been strong critical reactions against these interpretations. For example, two of the most explicit supporters of the 'conventional view', Karl-Ulrich Mayer and Hans-Peter Blossfeld, argue on the basis of representative empirical material on educational and

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1 The positions of the main participants of the discussion may be found in the volumes edited by Kreckel (1983), Goldthorpe/ Strasser (1985), Haferkamp/Giesen (1987), Geißler (1987), Berger/ Hradil (1990), Mayer (1990).

2 The debate about the dissolution of traditional class structures is not limited to Germany. Cf. e.g. the diagnosis of Mendras (1988) concerning l'émiétement des classes in contemporary France or the thesis of Roberts et al. (1977) concerning the fragmentary class structure of modern Britain.


4 Cf. the first three 'mileus' in his list.

occupational careers, labour market processes, marriage patterns and inter-generational mobility that they have found in West German society 'an increasing rigidity of the system of class stratification, not its dissolution through processes of individualization or its weakening through social milieus'\(^1\).

For my present purpose it is not necessary to take sides in this controversy. The only point I wish to make is that the choice between 'social class' and 'social milieu' ought to be treated as a primarily *empirical* issue. For, if the existence or non-existence of social classes is turned into a question of life-and-death for sociological class theory, something is going wrong. My own position, which I want to develop in this paper, is that certain core elements of class theory remain essential to the analysis of advanced capitalist societies, even if it were to be the case that social classes as integrated collectivities should completely disappear one day. As long as the 'primary asymmetry'\(^2\) between capital and labour continues to operate, class analysis is not obsolete.

But what kind of class analysis am I talking about? It cannot very well be 'moderate' class realism, as the very existence of 'real' classes in the moderate sense of the term has just been declared an empirically open question. On the other hand, can it be 'radical' class realism? Due to its failure to identify an empirically plausible revolutionary class, the price it has to pay to stay alive is dogmatism. Nonetheless, I shall take 'radical' class realism as my starting point and I shall try to free it from its dogmatic implications.


\(^{2}\) For this notion see Kreckel (1980: 529); cf. also Offe (1985).
III.

In my view, there are two conceptual weaknesses in 'radical' class realism. On the one hand, the distinction between action and structure is blurred. On the other hand, there is a tendency to reify the concept of class. I shall begin with this problem.

(1.) Whoever introduces the notion of a revolutionary class acting as the 'historical subject' is obliged to specify what is meant by 'class action'. This has a number of important conceptual implications:

The use of the terms 'subject' and 'action' indicates that the language of methodological individualism has been adopted, but not its message. That is, the concept of 'action' presupposes the empirical existence of an actor as 'subject'. The situation is comparatively simple as long as this subject of action is a human individual. If there is a plurality of actors acting together, the empirical subjects of action may still be identified with relative ease. But as soon as we move into the realm of social groups and collectivities, the attribution of actorship becomes more difficult. That is why genuine methodological individualists refuse to recognize the notion of collective agency and the 'corporate actor'.

I do not hold such a purist view. Following authors such as James Coleman, Barry Hindess and Jean-Daniel Reynaud I think it possible to use the notion of the corporate actor, as long as it is clearly distinguished from that of the individual actor. That is, both traditional social organisations (such as families or guilds), and modern organisations (such as firms, administrations, political parties or trade unions) may be considerate as 'corporate actors' actors in their own right. Corporate actors typically have representatives speaking or acting 'in their name', a procedure of decision making, an internal division of labour, a clear definition of membership etc. In the Roman Civil Law tradition, they are even treated as 'legal persons'. Thus, if one uses it with caution and does not forget that the 'logic of collective action' cannot be reduced to that of individual action, the concept of corporate action may have its uses.

The main purpose of this rapid excursion into action theory was to prepare the ground for a negative statement: Although I do not dispute the methodological soundness of the concepts of 'collective action' and the 'corporate actor', this does not include the notion of 'class action'. Of course, there may be political parties, trade unions and even individual politicians or theorists who claim that they represent a particular class and its interests. But 'classes' and organized 'corporate actors' are not phenomena of the same kind. The class membership of individuals is determined by their economic situation and social position, not by their organized participation in political or corporative activities. Thus, the well known paradox that the leading members of

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'working-class parties' often are 'middle-class intellectuals' dissolves itself. There is, to repeat the point I have just made, no necessary connection between class position and political behaviour.

Of course, there may be a far-reaching empirical coincidence between class membership and organized collective action. It is, after all, thinkable that virtually all members of a particular class, however defined, join a 'class party' and participate in coordinated 'class action', for example in a strike. But even then it would not be appropriate to treat this class as an acting subject. The internal organization, the aims and policies, the particular tradition and the degree of militancy of a 'class organization' can never be directly derived from the 'objective' class situation of its members. At best, shared 'objective' class conditions may be said to give rise to 'probable classes', as Pierre Bourdieu puts it. That is, the experience of common material and symbolic conditions may serve as the starting point for 'classmaking', i.e. for the constitution of an organization whose representatives make a successful claim to be speaking in the name of a particular class. Under these circumstances, it is not at all surprising that, in the real world, competing class organizations who claim to represent the same class are a frequent phenomenon.

It follows from the above that classes do not act. But individuals and organized groups regularly claim to be acting in their name. They can base this claim upon the widely held popular belief that 'real' classes and 'true' class interests do exist. But unfortunately, virtually anybody can make this claim. I only remind you of the 'National-Socialist German Workers Party' which also styled itself as the representative of socialist working class interests.

It becomes clear now that the notion of 'class action' is an intellectually untidy one. Thereby, the concept of class is reified and becomes vulnerable to propagandistic misuse. I am not very optimistic as to whether this kind of class rhetoric can ever be eliminated from political discourse. But in social theory, at least, it ought to be possible. In order to do so I shall turn now to the second conceptual weakness of 'radical' class realism I mentioned above, its unclear distinction of action and structure.

(2.) There is a deeply rooted semantic convention which complicates matters. The very use of the words 'class' or 'stratum' directs the attention to the idea that classes are vast groups of people distinguished by their particular place in a system of structured social inequality. Whether conceived of as 'real' social collectivities or as nominal categories, in either case 'classes' or 'strata' are considered as status groups, as groups of people having common status characteristics. Karl Marx himself accepted this semantic convention, e.g. when he distinguished six or seven such groups within the French class structure in 'Eighteenth Brumaire' and 'Class Struggles in

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1 Cf. Olson (1965); Elster (1985).


3 The allusion to Lenin's famous definition is, of course, intended: 'Classes are vast groups of people distinguished by their place in a historically determined system of social production' (Lenin 1966: 255; my translation).
France'. One of these groups, the 'small peasant proprietors' (Parzellenbauern), became particularly notorious, as **Marx** used them to clarify his concept of class:

> 'In so far as millions of families live under economic conditions of existence that separate their mode of life, their interests and their cultural formation from those of the other classes and bring them into conflict with those classes, **they form a class**. In so far as these small peasant proprietors are merely connected on a local basis, and the identity of their interests fails to produce a feeling of community, national links, or a political organization, **they do not form a class**. They are therefore incapable of asserting their class interest in their own name..."\(^1\)

At first sight, this seems to be a convincing clarification. On the one hand, it testifies **Marx**' 'radical' class realism. But on the other hand, it shows that the class concept has two distinct meanings according to which the small peasant proprietors either do, or do not, form a class. **Anthony Giddens** has tried to dissolve this ambiguity by pointing out that **Marx's** class theory operates on two different levels of abstraction, a 'concrete' and an 'abstract' one, which must be kept clearly separate. In the above quotation from 'Eighteenth Brumaire', **Marx** is mainly using his **'concrete model of class'** which addresses itself to the question of empirical group formation and collective action. It is, however, to be seen in the context of **Marx's** **'abstract model of class'**\(^2\). The 'concrete' model comes rather close to the Weberian conception of 'social class', as it is open to empirical differentiation and emphasizes social class integration. The 'abstract' model, on the other hand, is not concerned with concrete groups of people at all, but with the distinction of abstract 'class situations' and 'objective' conflicts of interest based upon them. In capitalist society, of course, the asymmetric relationship between capital and wage labour constitutes the main axis of exploitation and, hence, of abstract class conflict. That is, the 'abstract' model is to be understood as an element of structural analysis, whereas the 'concrete' model operates on the level of the theory of action\(^3\).

**Marx** himself did not always clearly distinguish between these two levels of abstraction. This is not altogether surprising as **Marx** was convinced that, due to the inevitable crises of capitalism, the empirical class structure was subject to a process of class homogenization and polarization. According to his ideal-typical construction of the final stage of capitalism, the abstract class relationship between capital and labour and the concrete class conflict between bourgeois and

\(^1\) Marx (1973: 239), my emphasis.

\(^2\) Cf. Giddens (1973: 26ff.).

\(^3\) I am aware that Giddens' more recent work tries to overcome the dualism of structure and agency by introducing the notion of 'duality of structure'. Cf. Giddens (1984) and my comment in Kreckel (1989a).
proletarians (as the only surviving classes) would eventually coincide\(^1\). This assumption may have been plausible in Marx's time, it is absurd today. No serious sociologist would dare to describe an advanced capitalist society as being composed of only two antagonistic social classes: Whether the analysis is based upon the concept of 'social milieu' or of 'social class', nobody would deny that the empirical reality of structured social inequality today is highly differentiated and complex.

And yet, the abstract class relationship between capital and wage-labour is still a central feature of advanced capitalist societies. But it is not directly mirrored in an empirical system of concrete social 'classes' or 'milieus'. Thus, if we wish to rescue the abstract model of class from the wreckage of radical' class realism, we are obliged to free ourselves from the semantic convention that the notion of 'class' must always refer to real groups of real people.

But once this suggestion is accepted, there is an inevitable follow-up question to be answered: If the notion of the 'abstract' class relationship between capital and labour is to be maintained as an important element of sociological analysis, how does it affect the 'concrete' structure of social inequality?

IV.

One danger I want to avoid is to adopt the solution of structuralist Marxism and to treat the structural relation of production between capital and wage-labour itself as 'real', without much concern for its empirical supports (Träger). The notion of the 'corporate actor' I introduced above provides a possibility to escape from this danger.

As I see it, structured social inequality is maintained (and/or transformed) by an **asymmetrical field of power**\(^2\). This field of power is neither a purely abstract structure, nor is it composed of concrete social classes acting as 'historical subjects'. Rather, I conceptualize the inequality-

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\(^1\) This is a core argument of Marx's theory, not just a youthful aberration of the period of the 'Communist Manifesto'. It features prominently at the end of the chapter on 'primitive accumulation' in 'Capital' (Marx 1960: 803f.).

maintaining (or: inequality-transforming) field of power as a 'contested terrain'\(^1\) where concrete \textbf{corporate actors} are locked together in a constellation of 'dialectic of control'\(^2\).

Before being able to present an ideal-typical model of this field of power, some methodological considerations are necessary: My declared intention is to move away from 'abstract' class analysis towards a more concrete level of power structuration. This intended 'concreteness' can only be achieved by means of historical specification. That is, I shall not try to formulate a model whose range of generalization is capitalist society as such. Rather, I start from the assumption that the concrete inequality-maintaining relations of power occurring in various advanced capitalist state societies vary considerably. They cannot be theoretically deduced from any 'abstract' model of capitalist class structure. They must be empirically identified, and their empirical existence and validity is limited to their particular historical location. As the nation-state is the predominate principle of organization of macro-social power in the modern world, a historical nation-state will also have to be the empirical basis of my ideal-typical model of a 'concrete' inequality-maintaining field of power.

For obvious reasons, the historical example I choose is the system of power originally developed in the \textit{'old' Federal Republic of Germany between 1949 and 1989}, which is now being transplanted into the territories of the former German Democratic Republic. However, in proceeding in this way I am not aiming at the purely idiographical description of a unique historical case. Rather, I am going to use the German experience in order to develop a generalized (yet historically situated) frame of reference allowing to identify common features as well as differences between various advanced capitalist state societies. Thus, my aim, the comparing and contrasting of national structures, is a theoretical one, although the basis of my argument is explicitly historical.

The model I am now going to develop is a model of four concentric circles of power. Its principle of construction is the difference of bargaining power characterizing various collective actors who participate in the contest for scarce material and symbolic resources.

Everywhere in western state societies, the \textbf{capitalist labour market} is the central macro-social arena where capital and wage-labour confront one another. Accordingly, this is where we shall have to start our analysis, if we want to move from 'abstract' class analysis towards the more concrete level of collective action. In the Federal Republic of Germany, just as in most advanced western state societies, the main protagonists of the confrontation between capital and wage labour are \textit{employer's organizations} and \textit{trade unions}. Their relationship is an asymmetrical

\footnotesize{\textsuperscript{1} Cf. Edwards (1979).}

\footnotesize{\textsuperscript{2} Cf. Giddens (1984: 374).}
bargaining relationship. As I have stated elsewhere\(^1\), this relationship constitutes the 'primary asymmetry of power' of the capitalist labour market. This needs some elaboration:

**One** of the reasons for the asymmetry of bargaining power between representatives of capital and labour is that, for the salaried workforce, the only means to gain some macro-social leverage is collective organization. As individuals, the workers' range of possible influence is limited to the micro-social level of the shop floor. The employers on the other hand, especially large industrial and financial corporations, have the possibility to perform both on the micro-social and on the macro-social level. They are powerful corporate actors in their own right, able to deal directly with the unions and state agencies. Therefore, being represented by an efficient interest organization is not as vital for the capital side as it is for labour. Yet, **secondly**, capital interests are more easily coordinated and organized than those of the workers. The effects of labour market segmentation, the various internal divisions of the labour force by gender, race, age, qualification etc., the sheer number and heterogeneity of individual life-interests to be represented, the logic of the 'free rider syndrome', all this contributes to the well known fact that the formation of strong and coherent trade union policies is an arduous task. **Thirdly**, and most importantly, the main power resource trade unions can rely upon is the withholding of human labour power. But human labour as a living 'substance' is much more fragile than the material resources available to the capital side. Whenever the use of labour power comes to a halt, be it voluntarily (e.g. strike) or by force (e.g. lock-out; unemployment), this typically leads to immediate crises of personal income, if not personal identity, labour power being a relatively inflexible and 'perishable' commodity. Capital, on the other hand, is more flexible and more durable. In case labour is temporarily unavailable, capital can 'wait'. It may be transferred to alternative productive or even consumptive uses. In particular, it can be employed for labour-saving investments, thus further weakening the bargaining position of the workers\(^2\).

All these factors add up to a considerable asymmetry of power between capital and labour. But the macro-social field of power in advanced capitalist societies is not entirely dominated by market relations. They are regulated and substantially modified through the intervention of a third element, the **state apparatus**, which does not obey to the logic of profit. On the level of collective action, the state is represented by various legislative, executive and judiciary bodies, and it rests upon the interplay of political parties. Together with trade unions, employers' corporations and independently acting firms, these agencies of the state form the **corporatist triangle of power** which defines the basic ground rules of structured social inequality in advanced capitalist state-societies.

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\(^1\) Kreckel (1980).

Indeed, the state in advanced capitalist society is not simply 'a committee for managing the common affairs of the whole bourgeoisie'. State power is not a mere derivative of the structural conflict between capital and labour. Electoral requirements, the logic of bureaucratic administration, military considerations etc. give considerable autonomy to the modern state. Of course, there is little doubt that the long-term policies of all governments in capitalist societies, whether conservative, liberal, socialist or even fascist, respect the requirements of capitalist production. But they are also committed to pacifying the conflict between employers and workers, they usually recognize the necessity of trade unions, and they regularly act as mediators in labour conflicts. In any case, pure market economies exist nowhere in advanced capitalist societies, they are modified by state interventionism and a steadily growing legislation.

Thus, the various agencies of the state, the employers' organisations and large firms, and the trade unions are the core corporate actors in the macro-social field of power which buttresses the system of structured social inequality in advanced capitalist societies. As the immediate historical starting point of my attempt to formulate an ideal-typical model of the inequality-maintaining (and/or transforming) macro-social field of power is the experience of the Federal Republic of Germany, social scientists acquainted with divergent national systems might disagree. In particular they may be inclined to reject the strongly 'corporatist' inclinations of my model. Indeed, it is 'tailor-made' to suit the German case which is characterized by a particularly high degree of centralization and institutionalization of industrial relations. Clearly, the situation is very dissimilar in many other state societies, e.g. in the United States or in Great Britain. Everywhere, capital, labour and state interests are organized and represented in different ways; but, at least, they are represented somehow. I would claim that in every advanced capitalist state society the abstract triangle of interests formed by capital, labour and the state is represented in some form or other by a concrete set of collective actors. They tend to be integrated in a common system co-operation rules and conflict rituals. Taken together, these collective actors form the core of the inequality-maintaining and/or inequality-transforming field of power. The concrete forms of organization and interaction of these core collective actors are, of course, historically contingent. They cannot be deduced from any 'abstract' theory of class.

Outside the immediate core of the field of power a wide range of organized pressure groups is situated, such as churches and charitable institutions, professional associations, automobile clubs and various other interest organisations. They are not locked together in permanent conflict like employers and workers, and the scope of their interest usually is more limited. The main target of their endeavours to defend privileges and to compete for scarce resources is the state.

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These few remarks about pressure groups are not meant to provide a thorough analysis of their role in advanced capitalist societies. Their only purpose is to indicate the general direction which the theoretical analysis of the macro-social power base of social inequality ought to take: If the corporatist triangle is to be seen as the core of the 'contested terrain', the various sectional interests represented by pressure groups must also be taken into account.

But is this ideal-typical model sufficient? Consider the following quotation from Helgard Kramer who suggests to transform the 'corporatist triangle' into a 'quadrangle of power':

>'Capital, the state and the unions interact under specific economic and political conditions. The fourth partner of interaction are the women who, as family workers and in wage-labour, are excluded from social positions of power.'

Would it be appropriate to consider the women - or, more precisely: the women's movement - as the fourth central pillar of the corporatist field of power? It is certainly true that the important improvements concerning the legal position and the educational and occupational opportunities of women in advanced capitalist societies are not to be explained as automatic by-products of economic development. They had, and still have, to be fought for. But the same holds true, of course, with respect to the welfare state in general and to various other improvements affecting the situation of the traditional 'working class'. In all these cases, change was achieved through struggle. That is, parts of the 'contested terrain' were conquered and defended by collective actors displaying power and resilience.

I am convinced that the increasing power-awareness and combativity of women is an important factor in this process of change. Nonetheless, if one considers the low level of institutionalisation of the women's liberation movement (and of the other 'new social movements'), one will have to ask whether they are to be considered as genuine corporate actors. For the time being, I am inclined to remain sceptical. I think it sufficient to recognize that loosely organized social movements may also enter the arena of power upon which structured social inequality is built. Of course, due to their low level of institutionalization, their main strength is the mobilization of short-term energy. As the political system in capitalist democracies is prone to respond to issues which are highly visible and strongly emotionalised, the chances of social movements to gain some influence are not negligible. But in the field of social inequality where change is notoriously slow, they come up against well-established corporate actors and vested interests. These are difficult to unsettle, unless they are confronted by sustained and well organized opposition.

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2 (Kramer (1986: 14).

So far, I have focused my attention on the strategic positions of various types of collective actors in the inequality-maintaining field of power of advanced capitalist state-societies. However, beyond the level of purposefully organized and/or highly mobilized collective actors, the social structuration of the population itself must be taken into account. Indeed, although I have stated above that classes are no actors, the unequal distribution of life-chances is, of course, an important factor in the continuous reproduction of structured social inequality. As 'conventional' research on social class and stratification has shown over and over again, the 'habitus', the value orientations, attitudes and styles of behaviour etc. of the population are strongly correlated with socio-economic status. Especially, the population is composed of potential voters, consumers and members of the labour force. Their behaviour is far from random - and it is of high consequence for the various collective actors within the 'contested terrain': The habits and commitments, likes and dislikes, routines and practices of the population are the social 'raw material' of all the struggles about social inequality. So, it is precisely at this point that the empirical controversy between 'social class' and 'social milieu' becomes significant again: To what extent are individual members of a state-society integrated in tightly knit 'social classes' and/or 'social milieus'? To what extent are other forms of macro-social integration, e.g. on ethnic or religious grounds, predominant? And how far advanced are the various desintegrative processes of 'individualisation' and social atomisation which Ulrich Beck has described so vividly? These are the empirical 'grass roots' of acquiescence or militancy, resistance or apathy.

Thus, my argument may now be summarized and systematized in the following way: It is my contention that the macro-social field of power which reproduces and/or transforms social inequality in advanced capitalist state-societies should be analysed by means of an ideal-typical model of four concentric circles. This model classifies various sources of social power according to their ability to maintain sustained pressure and to defend particular interests in the 'contested terrain' of structured social inequality:

1. The core area of the 'contested terrain' is occupied by corporate actors representing the *corporatist triangle* of capital, labour and the state. Inside this very core, the primary asymmetry of power confronting capitalist firms and employers' organisations with trade unions is the salient feature. Thus, the unions find themselves in a position at the 'periphery of centre', to borrow an expression from Johan Galtung.²

2. This center of power is surrounded by a wide range of interest groups representing sectional interests and particularistic issues.

3. The third level is formed by various social movements whose main strength is their ability to generate intensive social mobilization on the basis of issues of general interest (women's liberation, disarmament, ecology), but who lack continuous organization and a stable conflict capacity.

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²Cf. Galtung (1971).
Finally - and perhaps ironically - the periphery of the field of power is occupied by the socially structured population itself. Through various forms of practice influenced by the unequal distribution of life chances (e.g. voting behaviour and political participation, labour market behaviour and education, patterns of consumption), 'the people' participates in the 'contested terrain' and simultaneously occupies the role of a marginal condition. That is, as long as the masses of the population are neither mobilized nor organized, their interests remain unarticulated and unrepresented.

However, democratical state societies have developed a special device which guarantees that the core actors of the 'contested terrain' cannot remain entirely insensitive to unorganized interests and wishes of the population. This device is the institutionalization of political parties. The parties act as a brackets of integration connecting all four levels of the field of power: On the one hand, in order to get elected they are obliged to keep in touch with popular interests and wishes, as well as with social movements and with particular interest groups. On the other hand, they are core collective actors themselves, especially if they are able to form governments and to penetrate the state administration.

V.

The ideal-typical field of power just outlined generates and reproduces structured social inequality in advanced capitalist societies. Of course, due to the fact that all capitalist societies are organized as nation states with specific historical traditions, there is considerable variation between national systems of power. However, they share one common characteristic: No state-society is thoroughly capitalistic. This means that no national system of structured social inequality is entirely dominated by capitalist market relations. Rather, the degree of influence of the primary asymmetry of power between capital and labour is of different strength in different areas of the social structure. To illustrate what this means I introduce a heuristic distinction of six different sectors typically found inside the structures of social inequality of advanced capitalist state-societies. As criterion of distinction I take the different sources of income of the population. Again, the following typology is strongly influenced by the West German experience:

(1) The opposition of capital and labour has its deepest and most direct impact on social inequality in the private sector of the labour market, especially in flourishing branches with large scale capitalist enterprises. This is the core of productivity of capitalist societies. In this sector, the confrontation between capital and labour still bears some resemblance to the proto-typical situation of class struggle between employers and 'proletarians', although the mediating effects of labour legislation make themselves felt everywhere.

(2) If one considers, as a contrast, the highly subsidized branches of the capitalist economy, such as steel, mining, ship-building or even agriculture, the influence of regional, national and supra-national (e.g. European) policy decisions is so strong that it would be very unrealistic indeed to explain the labour market situation in this sector with reference to the relationship between capital and labour alone. Inside the corporatistic triangle, the importance of the state is clearly increased.
(3) If one moves on to the sector of public employment, a sector employing about one fifth of the salaried population in Germany\(^1\), the main axis of conflict is between wage-labour and the state. The capitalist principle of profit has virtually no direct influence in the public sector which obeys to the logic of bureaucratic control and political decision.

However, in spite of the notable differences between the above three sectors, one should not ignore the important fact that all three are thoroughly penetrated by a generalized logic of capitalist employment: In the most advanced capitalist societies of today, over ninety percent of the economically active population are in dependent employment. They all depend upon an employer to be able to make use of their own labour power and to earn an income. For all of them (with partial exception of tenured civil servants) the possibility of redundancy is a real threat, and they all experience the dependency of a 'boss' during their entire working life. Thus, from the perspective of all wage and salary earners in the private and public sectors, labour power is experienced as a commodity. Whether this commodity is marketable at all, and at what price, is decided by forces outside their personal control. Seen in this light, the differences between the above three sectors are differences of degree rather than differences of kind.

(4) But in advanced capitalist societies, dependent employment is not the only source of income. Since 'persons of independent means' have become extremely rare, the main alternative to dependency from the labour market is, of course, self-employment. The 'self-employed' are perhaps the most heterogenous category of the occupational statistics, as it covers the entire range from the small peddler to the genuine 'capitalist'. In spite of the recent publicity of 'alternative' businesses and the heralded renaissance of small-scale service enterprises, the overall size of the self-employed population is in continuous decline.

Thus, for the great majority of people dependent upon a regular income, self-employment is no realistic alternative to the labour market. By far the most significant sources of income outside the labour market are:

(5) **Transfer incomes** based upon general welfare legislation, such as unemployment relief, old age pensions, social assistance, sickness benefits, education allowances etc. Another highly important form of income transfer is, of course, differential taxation, a field almost inaccessible to empirical research.

(6) **Private maintenance** on the basis of family ties and personal loyalties. This is the main source of income for housewives, dependent adolescents and students, and for the old and infirm looked after privately.

The common denominator of these two, otherwise very heterogenous, categories is that they comprise the vast majority of persons temporarily or permanently excluded from the labour market. On the one hand, there are those disqualified from labour market participation on

\(^1\) The size of the population in public employment is almost equivalent to that of the classical 'proletarians', the workers in large scale industrial enterprises in Germany.
account of youth, old age or infirmity. On the other hand, there is a large group of adults capable to work, mainly housewives, pupils and students, and the officially unemployed persons. They are the 'reserve army' of the labour market. In West Germany at the eve of national unification the proportion of the adult population living mainly on transfer incomes and private maintenance approximated fifty percent. That is, typically, about one half of the population in advanced capitalist state-societies is not directly involved in occupational activities.

This is the situation Claus Offe has in mind when he speaks of an imminent 'change of direction of the axis of social conflict by ninety degrees; instead of labour against capital, the new line of conflict is labour plus capital against the "superfluous" rest of the population'\(^1\). That is to say, in spite of the impressive record of the trade unions in fighting unemployment, exclusion and discrimination, the sociologist cannot but recognize a constellation where a partial convergence of interest between employers and workers is emerging, at the expense of those out of work. They are a highly heterogenous group and, like all groups dispersed in peripheral situations, they have great difficulties in getting organized and their conflict potential is low. André Gorz has aptly described this motley group of excluded minorities in advanced capitalist societies as the 'non-class of non-workers'\(^2\). There best bet to gain some influence inside the corporatist triangle is through political channels. Employers' organizations and trade unions are not their obvious allies.

Clearly, empirical reality is much more complex than the heuristic classification introduced above. One of the reasons for this complexity is that empirical individuals often receive income from more than one source. Nevertheless, the classification demonstrates that the impact of the abstract class relationship between capital and labour is not spread evenly accross the entire structure of social inequality in advanced capitalist societies: As a rule of thumb it may be said that the greater the distance from the productive core of the capitalist economy, the more the direct impact of the abstract class relationship diminishes and the influence of the state increases. However, an indirect impact is present on all levels, as all members of society are dependent upon the capitalist market of consumer goods and services. Therefore, they require a continuous flow of monetary income. Apart from the small minority of the self-employed who are legally independent, the overwhelming majority have dependent incomes. Among them, the major dividing line is between those whose main source of income is derived from a position inside the private or public labour market, and those living on transferred income or private maintenance outside the labour market.

\(^1\) Offe (1984: 9; my translation).

VI.

One of the starting points of this paper was that 'conventional' theories of class and stratification tend to treat advanced capitalist societies as 'work societies'. That is, they concentrate on social inequalities directly related to the labour market and ignore the economically 'inactive' parts of the population. Yet, even if one accepts this conventional approach, it should be clear that in order to understand what goes on inside the labour market the situation outside must also be taken into account. After all, transferred income and private maintenance are the areas of withdrawal from and recruitment for the labour market. This is where the 'reserve army' of the labour market is located. It must not be ignored.

If one gives up another premise of 'conventional' theories of social inequality, namely, to restrict the analysis to the nation-state as frame of reference, it becomes visible that the population living on transferred income and private maintenance constitutes only the 'internal hinterland' of the capitalist system of employment. In addition, the vast 'external hinterland' of advanced capitalist state-societies has to be taken into account, the peripheries and semiperipheries of world society where millions and millions of potential labour market competitors are waiting. If one looks at the restrictive immigration policies of Western states in the last fifteen years it becomes clear that no one inside the 'corporative triangle' is seriously interested in defending a labour market with open boundaries: The 'historical compromise' between labour, capital and the state in advanced capitalist societies is at the expense of a two-fold exclusion, an internal and an external one.

So far, I have followed the 'conventional' path myself in treating the corporatist triangle as a purely national phenomenon. In these concluding remarks I shall at least try to expand the vision to the level of world society.

Two out of the three sides involved in the corporatist triangle, capital and the state, exist as international powers, too. Labour, on the other hand, has no strong international representation. Yet, there is no denying that the logic of the abstract class relationship between capital and labour is not confined to national boundaries, it operates on a world scale: In the same way as national structures of social inequality, the international system of inequality is subject to the 'generalized logic of capitalist economy'. The world economy is dominated by capitalist principles. All national economies are obliged to rely upon the world market. There, due to the general mechanism of commodity price formation and the development of the terms of trade, conditions of unequal exchange have developed which contribute to the growth of world inequality.

Seen from the perspective of world society, the power relationship between capital and labour is much more asymmetrical than on the national level of advanced capitalist societies. The large transnational corporations are resourceful corporate actors. They are much less restricted by the

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2 Wallerstein (1979).
legislation of national states and international organizations than when operating within one nation-state only. Above all, there is no strong international labour organization able to act as a corporate counterpart. If at all, international labour interests have to be represented by national governments. This, among other things, explains the bargaining weakness of the 'external hinterland' of advanced capitalist societies.

Yet, it would be mistaken to consider the abstract class relationship between capital and labour as the only principle of organization of the international system of inequality. In my view, the political segmentation of the world on the basis of nation-states and power blocks and the highly uneven distribution of the means of violence and destruction are just as crucial. Taken together, economic, political and military asymmetries bring about the most alarming constellation of our time - the widening of the gulf between poor and rich nation-states in world society.

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