

Part II

Forms and Sources of Stratification

The Functions of Stratification

The Dysfunctions of Stratification

The Functions of Stratification

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Some Principles of Stratification

In a previous paper some concepts for handling the phenomena of social inequality were presented.¹ In the present paper a further step in stratification theory is undertaken—an attempt to show the relationship between stratification and the rest of the social order.² Starting from the proposition that no society is “classless,” or unstratified, an effort is made to explain, in functional terms, the universal necessity which calls forth stratification in any social system. Next, an attempt is made to explain the roughly uniform distribution of prestige as between the major types of positions in every society. Since, however, there occur between one society and another great differences in the degree and kind of stratification, some attention is also given to the varieties of social inequality and the variable factors that give rise to them.

Clearly, the present task requires two different lines of analysis—one to understand the universal, the other to understand the variable features of stratification. Naturally each line of inquiry aids the other and is indispensable, and in the treatment that follows the two will be interwoven, although, because of space limitations, the emphasis will be on the universals.

Throughout, it will be necessary to keep in mind one thing—namely, that the discussion

relates to the system of positions, not to the individuals occupying those positions. It is one thing to ask why different positions carry different degrees of prestige, and quite another to ask how certain individuals get into those positions. Although, as the argument will try to show, both questions are related, it is essential to keep them separate in our thinking. Most of the literature on stratification has tried to answer the second question (particularly with regard to the ease or difficulty of mobility between strata) without tackling the first. The first question, however, is logically prior and, in the case of any particular individual or group, factually prior.

The Functional Necessity of Stratification

Curiously the main functional necessity explaining the universal presence of stratification is precisely the requirement faced by any society of placing and motivating individuals in the social structure. As a functioning mechanism a society must somehow distribute its members in social positions and induce them to perform the duties of these positions. It must thus concern itself with motivation at two different levels: to instill in the proper individuals the desire to fill certain positions, and, once in these positions, the desire to perform the duties attached to them. Even

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though the social order may be relatively static in form, there is a continuous process of metabolism as new individuals are born into it, shift with age, and die off. Their absorption into the positional system must somehow be arranged and motivated. This is true whether the system is competitive or non-competitive. A competitive system gives greater importance to the motivation to achieve positions, whereas a non-competitive system gives perhaps greater importance to the motivation to perform the duties of the positions; but in any system both types of motivation are required.

If the duties associated with the various positions were all equally pleasant to the human organism, all equally important to societal survival, and all equally in need of the same ability or talent, it would make no difference who got into which positions, and the problem of social placement would be greatly reduced. But actually it does make a great deal of difference who gets into which positions, not only because some positions are inherently more agreeable than others, but also because some require special talents or training and some are functionally more important than others. Also, it is essential that the duties of the positions be performed with the diligence that their importance requires. Inevitably, then, a society must have, first, some kind of rewards that it can use as inducements, and, second, some way of distributing these rewards differentially according to positions. The rewards and their distribution become a part of the social order, and thus give rise to stratification.

One may ask what kind of rewards a society has at its disposal in distributing its personnel and securing essential services. It has, first of all, the things that contribute to sustenance and comfort. It has, second, the things that contribute to humor and diversion. And it has, finally, the things that contribute to self-respect and ego expansion. The last, because of the peculiarly social character of the self, is largely a function of the opinion of others, but it nonetheless ranks in importance with the first two. In any social system all three

kinds of rewards must be dispensed differentially according to positions.

In a sense the rewards are "built into" the position. They consist in the "rights" associated with the position, plus what may be called its accompaniments or perquisites. Often the rights, and sometimes the accompaniments, are functionally related to the duties of the position. (Rights as viewed by the incumbent are usually duties as viewed by other members of the community.) However, there may be a host of subsidiary rights and perquisites that are not essential to the function of the position and have only an indirect and symbolic connection with its duties, but which still may be of considerable importance in inducing people to seek the positions and fulfill the essential duties.

If the rights and perquisites of different positions in a society must be unequal, then the society must be stratified, because that is precisely what stratification means. Social inequality is thus an unconsciously evolved device by which societies insure that the most important positions are conscientiously filled by the most qualified persons. Hence every society, no matter how simple or complex, must differentiate persons in terms of both prestige and esteem, and must therefore possess a certain amount of institutionalized inequality.

It does not follow that the amount or type of inequality need be the same in all societies. This is largely a function of factors that will be discussed presently.

The Two Determinants of Positional Rank

Granting the general function that inequality subserves, one can specify the two factors that determine the relative rank of different positions. In general those positions convey the best reward, and hence have the highest rank, which (a) have the greatest importance for the society and (b) require the greatest training or talent. The first factor concerns function and is a matter of relative significance; the second concerns means and is a matter of scarcity.

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Differential Functional Importance. Actually a society does not need to reward positions in proportion to their functional importance. It merely needs to give sufficient reward to them to insure that they will be filled competently. In other words, it must see that less essential positions do not compete successfully with more essential ones. If a position is easily filled, it need not be heavily rewarded, even though important. On the other hand, if it is important but hard to fill, the reward must be high enough to get it filled anyway. Functional importance is therefore a necessary but not a sufficient cause of high rank being assigned to a position.³

Differential Scarcity of Personnel. Practically all positions, no matter how acquired, require some form of skill or capacity for performance. This is implicit in the very notion of position, which implies that the incumbent must, by virtue of his incumbency, accomplish certain things.

There are, ultimately, only two ways in which a person's qualifications come about: through inherent capacity or through training. Obviously, in concrete activities both are always necessary, but from a practical standpoint the scarcity may lie primarily in one or the other, as well as in both. Some positions require innate talents of such high degree that the persons who fill them are bound to be rare. In many cases, however, talent is fairly abundant in the population but the training process is so long, costly, and elaborate that relatively few can qualify. Modern medicine, for example, is within the mental capacity of most individuals, but a medical education is so burdensome and expensive that virtually none would undertake it if the position of the M.D. did not carry a reward commensurate with the sacrifice.

If the talents required for a position are abundant and the training easy, the method of acquiring the position may have little to do with its duties. There may be, in fact, a virtually accidental relationship. But if the skills required are scarce by reason of the rarity of talent or the costliness of training, the posi-

tion, if functionally important, must have an attractive power that will draw the necessary skills in competition with other positions. This means, in effect, that the position must be high in the social scale—must command great prestige, high salary, ample leisure, and the like.

How Variations Are to Be Understood. In so far as there is a difference between one system of stratification and another, it is attributable to whatever factors affect the two determinants of differential reward—namely, functional importance and scarcity of personnel. Positions important in one society may not be important in another, because the conditions faced by the societies, or their degree of internal development, may be different. The same conditions, in turn, may affect the question of scarcity; for in some societies the stage of development, or the external situation, may wholly obviate the necessity of certain kinds of skill or talent. Any particular system of stratification, then, can be understood as a product of the special conditions affecting the two aforementioned grounds of differential reward.

Major Societal Functions and Stratification

Religion

The reason why religion is necessary is apparently to be found in the fact that human society achieves its unity primarily through the possession by its members of certain ultimate values and ends in common. Although these values and ends are subjective, they influence behavior, and their integration enables the society to operate as a system. Derived neither from inherited nor from external nature, they have evolved as a part of culture by community and moral pressure. They must, however, appear to the members of the society to have some reality, and it is the role of religious belief and ritual to supply and reinforce this appearance of reality. Through belief and

ritual the common ends and values are connected with an imaginary world symbolized by concrete sacred objects, which world in turn is related in a meaningful way to the facts and trials of the individuals' life. Through the worship of the sacred objects and the beings they symbolize, and the acceptance of supernatural prescriptions that are at the same time codes of behavior, a powerful control over human conduct is exercised, guiding it along lines sustaining the institutional structure and conforming to the ultimate ends and values.

If this conception of the role of religion is true, one can understand why in every known society the religious activities tend to be under the charge of particular persons, who tend thereby to enjoy greater rewards than the ordinary societal member. Certain of the rewards and special privileges may attach to only the highest religious functionaries, but others usually apply, if such exists, to the entire sacerdotal class.

Moreover, there is a peculiar relation between the duties of the religious official and the special privileges he enjoys. If the supernatural world governs the destinies of men more ultimately than does the real world, its earthly representative, the person through whom one may communicate with the supernatural, must be a powerful individual. He is a keeper of sacred tradition, a skilled performer of the ritual, and an interpreter of lore and myth. He is in such close contact with the gods that he is viewed as possessing some of their characteristics. He is, in short, a bit sacred, and hence free from some of the more vulgar necessities and controls.

It is no accident, therefore, that religious functionaries have been associated with the very highest positions of power, as in theocratic regimes. Indeed, looking at it from this point of view, one may wonder why it is that they do not get *entire* control over their societies. The factors that prevent this are worthy of note.

In the first place, the amount of technical competence necessary for the performance of religious duties is small. Scientific or artistic

capacity is not required. Anyone can set himself up as enjoying an intimate relation with deities, and nobody can successfully dispute him. Therefore, the factor of scarcity of personnel does not operate in the technical sense.

One may assert, on the other hand, that religious ritual is often elaborate and religious lore abstruse, and that priestly ministrations require tact, if not intelligence. This is true, but the technical requirements of the profession are for the most part adventitious, not related to the end in the same way that science is related to air travel. The priest can never be free from competition, since the criteria of whether or not one has genuine contact with the supernatural are never strictly clear. It is this competition that debases the priestly position below what might be expected at first glance. That is why priestly prestige is highest in those societies where membership in the profession is rigidly controlled by the priestly guild itself. That is why, in part at least, elaborate devices are utilized to stress the identification of the person with his office—spectacular costume, abnormal conduct, special diet, segregated residence, celibacy, conspicuous leisure, and the like. In fact, the priest is always in danger of becoming somewhat discredited—as happens in a secularized society—because in a world of stubborn fact, ritual and sacred knowledge alone will not grow crops or build houses. Furthermore, unless he is protected by a professional guild, the priest's identification with the supernatural tends to preclude his acquisition of abundant worldly goods.

As between one society and another it seems that the highest general position awarded the priest occurs in the medieval type of social order. Here there is enough economic production to afford a surplus, which can be used to support a numerous and highly organized priesthood; and yet the populace is unlettered and therefore credulous to a high degree. Perhaps the most extreme example is to be found in the Buddhism of Tibet, but others are encountered in the Catholicism of feudal Europe, the Inca regime of Peru, the Brahminism of India, and the Mayan priest-

hood of Yucatan. On the other hand, if the society is so crude as to have no surplus and little differentiation, so that every priest must be also a cultivator or hunter, the separation of the priestly status from the others has hardly gone far enough for priestly prestige to mean much. When the priest actually has high prestige under these circumstances, it is because he also performs other important functions (usually political and medical).

In an extremely advanced society built on scientific technology, the priesthood tends to lose status, because sacred tradition and supernaturalism drop into the background. The ultimate values and common ends of the society tend to be expressed in less anthropomorphic ways, by officials who occupy fundamentally political, economic, or educational rather than religious positions. Nevertheless, it is easily possible for intellectuals to exaggerate the degree to which the priesthood in a presumably secular milieu has lost prestige. When the matter is closely examined the urban proletariat, as well as the rural citizenry, proves to be surprisingly god-fearing and priest-ridden. No society has become so completely secularized as to liquidate entirely the belief in transcendental ends and supernatural entities. Even in a secularized society some system must exist for the integration of ultimate values, for their ritualistic expression, and for the emotional adjustments required by disappointment, death, and disaster.

Government

Like religion, government plays a unique and indispensable part in society. But in contrast to religion, which provides integration in terms of sentiments, beliefs, and rituals, it organizes the society in terms of law and authority. Furthermore, it orients the society to the actual rather than the unseen world.

The main functions of government are, internally, the ultimate enforcement of norms, the final arbitration of conflicting interests, and the overall planning and direction of society; and externally, the handling of war and diplomacy. To carry out these functions it acts

as the agent of the entire people, enjoys a monopoly of force, and controls all individuals within its territory.

Political action, by definition, implies authority. An official can command because he has authority, and the citizen must obey because he is subject to that authority. For this reason stratification is inherent in the nature of political relationships.

So clear is the power embodied in political position that political inequality is sometimes thought to comprise all inequality. But it can be shown that there are other bases of stratification, that the following controls operate in practice to keep political power from becoming complete: (a) The fact that the actual holders of political office, and especially those determining top policy must necessarily be few in number compared to the total population. (b) The fact that the rulers represent the interest of the group rather than of themselves, and are therefore restricted in their behavior by rules and mores designed to enforce this limitation of interest. (c) The fact that the holder of political office has his authority by virtue of his office and nothing else, and therefore any special knowledge, talent, or capacity he may claim is purely incidental, so that he often has to depend upon others for technical assistance.

In view of these limiting factors, it is not strange that the rulers often have less power and prestige than a literal enumeration of their formal rights would lead one to expect.

Wealth, Property, and Labor

Every position that secures for its incumbent a livelihood is, by definition, economically rewarded. For this reason there is an economic aspect to those positions (e.g., political and religious) the main function of which is not economic. It therefore becomes convenient for the society to use unequal economic returns as a principal means of controlling the entrance of persons into positions and stimulating the performance of their duties. The amount of the economic return therefore becomes one of the main indices of social status.

It should be stressed, however, that a position does not bring power and prestige *because* it draws a high income. Rather, it draws a high income because it is functionally important and the available personnel is for one reason or another scarce. It is therefore superficial and erroneous to regard high income as the cause of a man's power and prestige, just as it is erroneous to think that a man's fever is the cause of his disease.⁴

The economic source of power and prestige is not income primarily, but the ownership of capital goods (including patents, good will, and professional reputation). Such ownership should be distinguished from the possession of consumers' goods, which is an index rather than a cause of social standing. In other words, the ownership of producers' goods is properly speaking, a source of income like other positions, the income itself remaining an index. Even in situations where social values are widely commercialized and earnings are the readiest method of judging social position, income does not confer prestige on a position so much as it induces people to compete for the position. It is true that a man who has a high income as a result of one position may find this money helpful in climbing into another position as well, but this again reflects the effect of his initial, economically advantageous status, which exercises its influence through the medium of money.

In a system of private property in productive enterprise, an income above what an individual spends can give rise to possession of capital wealth. Presumably such possession is a reward for the proper management of one's finances originally and of the productive enterprise later. But as social differentiation becomes highly advanced and yet the institution of inheritance persists, the phenomenon of pure ownership, and reward for pure ownership, emerges. In such a case it is difficult to prove that the position is functionally important or that the scarcity involved is anything other than extrinsic and accidental. It is for this reason, doubtless, that the institution of private property in productive goods becomes more subject to criticism as social develop-

ment proceeds toward industrialization. It is only this pure, that is, strictly legal and functionless ownership, however, that is open to attack; for some form of active ownership, whether private or public, is indispensable.

One kind of ownership of production goods consists in rights over the labor of others. The most extremely concentrated and exclusive of such rights are found in slavery, but the essential principle remains in serfdom, peonage, encomienda, and indenture. Naturally this kind of ownership has the greatest significance for stratification, because it necessarily entails an unequal relationship.

But property in capital goods inevitably introduces a compulsive element even into the nominally free contractual relationship. Indeed, in some respects the authority of the contractual employer is greater than that of the feudal landlord, inasmuch as the latter is more limited by traditional reciprocities. Even the classical economics recognized that competitors would fare unequally, but it did not pursue this fact to its necessary conclusion that, however it might be acquired, unequal control of goods and services must give unequal advantage to the parties to a contract.

Technical Knowledge

The function of finding means to single goals, without any concern with the choice between goals, is the exclusively technical sphere. The explanation of why positions requiring great technical skill receive fairly high rewards is easy to see, for it is the simplest case of the rewards being so distributed as to draw talent and motivate training. Why they seldom if ever receive the highest rewards is also clear: the importance of technical knowledge from a societal point of view is never so great as the integration of goals, which takes place on the religious, political, and economic levels. Since the technological level is concerned solely with means, a purely technical position must ultimately be subordinate to other positions that are religious, political, or economic in character.

Nevertheless, the distinction between expert and layman in any social order is fundamental, and cannot be entirely reduced to other terms. Methods of recruitment, as well as of reward, sometimes lead to the erroneous interpretation that technical positions are economically determined. Actually, however, the acquisition of knowledge and skill cannot be accomplished by purchase, although the opportunity to learn may be. The control of the avenues of training may inhere as a sort of property right in certain families or classes, giving them power and prestige in consequence. Such a situation adds an artificial scarcity to the natural scarcity of skills and talents. On the other hand, it is possible for an opposite situation to arise. The rewards of technical position may be so great that a condition of excess supply is created, leading to at least temporary devaluation of the rewards. Thus "unemployment in the learned professions" may result in a debasement of the prestige of those positions. Such adjustments and readjustments are constantly occurring in changing societies; and it is always well to bear in mind that the efficiency of a stratified structure may be affected by the modes of recruitment for positions. The social order itself, however, sets limits to the inflation or deflation of the prestige of experts: an oversupply tends to debase the rewards and discourage recruitment or produce revolution, whereas an under-supply tends to increase the rewards or weaken the society in competition with other societies.

Particular systems of stratification show a wide range with respect to the exact position of technically competent persons. This range is perhaps most evident in the degree of specialization. Extreme division of labor tends to create many specialists without high prestige since the training is short and the required native capacity relatively small. On the other hand it also tends to accentuate the high position of the true experts—scientists, engineers, and administrators—by increasing their authority relative to other functionally important positions. But the idea of a technocratic social order or a government or priesthood of

engineers or social scientists neglects the limitations of knowledge and skills as a basis for performing social functions. To the extent that the social structure is truly specialized the prestige of the technical person must also be circumscribed.

Variation in Stratified Systems

The generalized principles of stratification here suggested form a necessary preliminary to a consideration of types of stratified systems, because it is in terms of these principles that the types must be described. This can be seen by trying to delineate types according to certain modes of variation. For instance, some of the most important modes (together with the polar types in terms of them) seem to be as follows:

(a) **The Degree of Specialization.** The degree of specialization affects the fineness and multiplicity of the gradations in power and prestige. It also influences the extent to which particular functions may be emphasized in the invidious system, since a given function cannot receive much emphasis in the hierarchy until it has achieved structural separation from the other functions. Finally, the amount of specialization influences the bases of selection. Polar types: *Specialized, Unspecialized.*

(b) **The Nature of the Functional Emphasis.** In general when emphasis is put on sacred matters, a rigidity is introduced that tends to limit specialization and hence the development of technology. In addition, a brake is placed on social mobility, and on the development of bureaucracy. When the preoccupation with the sacred is withdrawn, leaving greater scope for purely secular preoccupations, a great development, and rise in status, of economic and technological positions seemingly takes place. Curiously, a concomitant rise in political position is not likely, because it has usually been allied with the religious and stands to gain little by the decline of the latter. It is also possible for a society to emphasize

family functions—as in relatively undifferentiated societies where high mortality requires high fertility and kinship forms the main basis of social organization. Main types: *Familistic, Authoritarian (Theocratic or sacred, and Totalitarian or secular), Capitalistic*.

(c) **The Magnitude of Invidious Differences.** What may be called the amount of social distance between positions, taking into account the entire scale, is something that should lend itself to quantitative measurement. Considerable differences apparently exist between different societies in this regard, and also between parts of the same society. Polar types: *Equalitarian, Inequalitarian*.

(d) **The Degree of Opportunity.** The familiar question of the amount of mobility is different from the question of the comparative equality or inequality of rewards posed above, because the two criteria may vary independently up to a point. For instance, the tremendous divergences in monetary income in the United States are far greater than those found in primitive societies, yet the equality of opportunity to move from one rung to the other in the social scale may also be greater in the United States than in a hereditary tribal kingdom. Polar types: *Mobile* (open), *Immobile* (closed).

(e) **The Degree of Stratum Solidarity.** Again, the degree of “class solidarity” (or the presence of specific organizations to promote class interests) may vary to some extent independently of the other criteria, and hence is an important principle in classifying systems of stratification. Polar types: *Class organized, Class unorganized*.

External Conditions

What state any particular system of stratification is in with reference to each of these modes of variation depends on two things: (1) its state with reference to the other ranges of variation, and (2) the conditions outside the

system of stratification which nevertheless influence that system. Among the latter are the following:

(a) **The Stage of Cultural Development.** As the cultural heritage grows, increased specialization becomes necessary, which in turn contributes to the enhancement of mobility, a decline of stratum solidarity, and a change of functional emphasis.

(b) **Situation with Respect to Other Societies.** The presence or absence of open conflict with other societies, of free trade relations or cultural diffusion, all influence the class structure to some extent. A chronic state of warfare tends to place emphasis upon the military functions, especially when the opponents are more or less equal. Free trade, on the other hand, strengthens the hand of the trader at the expense of the warrior and priest. Free movement of ideas generally has an equalitarian effect. Migration and conquest create special circumstances.

(c) **Size of the Society.** A small society limits the degree to which functional specialization can go, the degree of segregation of different strata, and the magnitude of inequality.

Composite Types

Much of the literature on stratification has attempted to classify concrete systems into a certain number of types. This task is deceptively simple, however, and should come at the end of an analysis of elements and principles, rather than at the beginning. If the preceding discussion has any validity, it indicates that there are a number of modes of variation between different systems, and that any one system is a composite of the society's status with reference to all these modes of variation. The danger of trying to classify whole societies under such rubrics as *caste*, *feudal*, or *open class* is that one or two criteria are selected and others ignored, the result being an unsatisfactory solution to the problem posed.

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The present discussion has been offered as a possible approach to the more systematic classification of composite types.

Notes

1. Kingsley Davis, “A Conceptual Analysis of Stratification,” *American Sociological Review*, 7:309–321, June, 1942.
2. The writers regret (and beg indulgence) that the present essay, a condensation of a longer study, covers so much in such short space that adequate evidence and qualification cannot be given and that as a result what is actually very tentative is presented in an unfortunately dogmatic manner.
3. Unfortunately, functional importance is difficult to establish. To use the position's prestige to establish it, as is often unconsciously done, constitutes circular reasoning from our point of view. There are, however, two independent clues: (a) the degree to which a position is functionally unique, there being no other positions that can perform the same function satisfactorily; (b) the degree to

which other positions are dependent on the one in question. Both clues are best exemplified in organized systems of positions built around one major function. Thus, in most complex societies the religious, political, economic, and educational functions are handled by distinct structures not easily interchangeable. In addition, each structure possesses many different positions, some clearly dependent on, if not subordinate to, others. In sum, when an institutional nucleus becomes differentiated around one main function, and at the same time organizes a large portion of the population into its relationships, the key positions in it are of the highest functional importance. The absence of such specialization does not prove functional unimportance, for the whole society may be relatively unspecialized, but it is safe to assume that the more important functions receive the first and clearest structural differentiation.

4. The symbolic rather than intrinsic role of income in social stratification has been succinctly summarized by Talcott Parsons, “An Analytical Approach to the Theory of Social Stratification,” *American Journal of Sociology*, 45:841–862, May, 1940.

The Dysfunctions of Stratification

MELVIN M. TUMIN

Some Principles of Stratification: A Critical Analysis

The fact of social inequality in human society is marked by its ubiquity and its antiquity. Every known society, past and present, distributes its scarce and demanded goods and services unequally. And there are attached to the positions which command unequal amounts of such goods and services certain highly morally-toned evaluations of their importance for the society.

The ubiquity and the antiquity of such inequality has given rise to the assumption that there must be something both inevitable and positively functional about such social arrangements.

Clearly, the truth or falsity of such an assumption is a strategic question for any general theory of social organization. It is therefore most curious that the basic premises and implications of the assumption have only been most casually explored by American sociologists.

The most systematic treatment is to be found in the well-known article by Kingsley Davis and Wilbert Moore, entitled "Some Principles of Stratification."¹ More than twelve years have passed since its publication,

and though it is one of the very few treatments of stratification on a high level of generalization, it is difficult to locate a single systematic analysis of its reasoning. It will be the principal concern of this paper to present the beginnings of such an analysis.

The central argument advanced by Davis and Moore can be stated in a number of sequential propositions, as follows:

1. Certain positions in any society are functionally more important than others, and require special skills for their performance.
2. Only a limited number of individuals in any society have the talents which can be trained into the skills appropriate to these positions.
3. The conversion of talents into skills involves a training period during which sacrifices of one kind or another are made by those undergoing the training.
4. In order to induce the talented persons to undergo these sacrifices and acquire the training, their future positions must carry an inducement value in the form of differential, i.e., privileged and disproportionate access to the scarce and desired rewards which the society has to offer.²
5. These scarce and desired goods consist of the rights and perquisites attached to,

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or built into, the positions, and can be classified into those things which contribute to (a) sustenance and comfort, (b) humor and diversion, (c) self-respect and ego expansion.

6. This differential access to the basic rewards of the society has as consequence the differentiation of the prestige and esteem which various strata acquire. This may be said, along with the rights and perquisites, to constitute institutionalized social inequality, i.e., stratification.

7. Therefore, social inequality among different strata in the amounts of scarce and desired goods, and the amounts of prestige and esteem which they receive, is both positively functional and inevitable in any society.

Let us take these propositions and examine them *seriatim*.³

(1) *Certain positions in any society are more functionally important than others and require special skills for their performance.*

The key term here is "functionally important." The functionalist theory of social organization is by no means clear and explicit about this term. The minimum common referent is to something known as the "survival value" of a social structure.⁴ This concept immediately involves a number of perplexing questions. Among these are: (a) the issue of minimum vs. maximum survival, and the possible empirical referents which can be given to those terms; (b) whether such a proposition is a useless tautology since any *status quo* at any given moment is nothing more and nothing less than everything present in the *status quo*. In these terms, all acts and structures must be judged positively functional in that they constitute essential portions of the *status quo*; (c) what kind of calculus of functionality exists which will enable us, at this point in our development, to add and subtract long and short range consequences, with their mixed qualities, and arrive at some summative judgment regarding the rating an act or structure should receive on a scale of greater or lesser

functionality? At best, we tend to make primarily intuitive judgments. Often enough, these judgments involve the use of value-laden criteria, or, at least, criteria which are chosen in preference to others not for any sociologically systematic reasons but by reason of certain implicit value preferences.

Thus, to judge that the engineers in a factory are functionally more important to the factory than the unskilled workmen involves a notion regarding the dispensability of the unskilled workmen, or their replaceability, relative to that of the engineers. But this is not a process of choice with infinite time dimensions. For at some point along the line one must face the problem of adequate motivation for *all* workers at all levels of skill in the factory. In the long run, *some* labor force of unskilled workmen is as important and as indispensable to the factory as *some* labor force of engineers. Often enough, the labor force situation is such that this fact is brought home sharply to the entrepreneur in the short run rather than in the long run.

Moreover, the judgment as to the relative indispensability and replaceability of a particular segment of skills in the population involves a prior judgment about the bargaining-power of that segment. But this power is itself a culturally shaped *consequence* of the existing system of rating, rather than something inevitable in the nature of social organization. At least the contrary of this has never been demonstrated, but only assumed.

A generalized theory of social stratification must recognize that the prevailing system of inducements and rewards is only one of many variants in the whole range of possible systems of motivation which, at least theoretically, are capable of working in human society. It is quite conceivable, of course, that a system of norms could be institutionalized in which the idea of threatened withdrawal of services, except under the most extreme circumstances, would be considered as absolute moral anathema. In such a case, the whole notion of relative functionality, as advanced by Davis and Moore, would have to be radically revised.

(2) *Only a limited number of individuals in any society have the talents which can be trained into the skills appropriate to these positions (i.e., the more functionally important positions).*

The truth of this proposition depends at least in part on the truth of proposition 1 above. It is, therefore, subject to all the limitations indicated above. But for the moment, let us assume the validity of the first proposition and concentrate on the question of the rarity of appropriate talent.

If all that is meant is that in every society there is a *range* of talent, and that some members of any society are by nature more talented than others, no sensible contradiction can be offered, but a question must be raised here regarding the amount of sound knowledge present in any society concerning the presence of talent in the population.

For, in every society there is some demonstrable ignorance regarding the amount of talent present in the population. And the more rigidly stratified a society is, the less chance does that society have of discovering any new facts about the talents of its members. Smoothly working and stable systems of stratification, wherever found, tend to build in obstacles to the further exploration of the range of available talent. This is especially true in those societies where the opportunity to discover talent in any one generation varies with the differential resources of the parent generation. Where, for instance, access to education depends upon the wealth of one's parents, and where wealth is differentially distributed, large segments of the population are likely to be deprived of the chance even to *discover* what are their talents.

Whether or not differential rewards and opportunities are functional in any one generation, it is clear that if those differentials are allowed to be socially inherited by the next generation, then, the stratification system is specifically dysfunctional for the discovery of talents in the next generation. In this fashion, systems of social stratification tend to limit the chances available to maximize the efficiency of discovery, recruitment and training of "functionally important talent."⁵

Additionally, the unequal distribution of rewards in one generation tends to result in the unequal distribution of motivation in the succeeding generation. Since motivation to succeed is clearly an important element in the entire process of education, the unequal distribution of motivation tends to set limits on the possible extensions of the educational system, and hence, upon the efficient recruitment and training of the widest body of skills available in the population.⁶

Lastly, in this context, it may be asserted that there is some noticeable tendency for elites to restrict further access to their privileged positions, once they have sufficient power to enforce such restrictions. This is especially true in a culture where it is possible for an elite to contrive a high demand and a proportionately higher reward for its work by restricting the numbers of the elite available to do the work. The recruitment and training of doctors in modern United States is at least partly a case in point.

Here, then, are three ways, among others which could be cited, in which stratification systems, once operative, tend to reduce the survival value of a society by limiting the search, recruitment and training of functionally important personnel far more sharply than the facts of available talent would appear to justify. It is only when there is genuinely equal access to recruitment and training for all potentially talented persons that differential rewards can conceivably be justified as functional. And stratification systems are apparently *inherently antagonistic* to the development of such full equality of opportunity.

(3) *The conversion of talents into skills involves a training period during which sacrifices of one kind or another are made by those undergoing the training.*

Davis and Moore introduce here a concept, "sacrifice" which comes closer than any of the rest of their vocabulary of analysis to being a direct reflection of the rationalizations, offered by the more fortunate members of a society, of the rightness of their occupancy of privileged positions. It is the least critically thought-out concept in the repertoire, and can

also be shown to be least supported by the actual facts.

In our present society, for example, what are the sacrifices which talented persons undergo in the training period? The possibly serious losses involve the surrender of earning power and the cost of the training. The latter is generally borne by the parents of the talented youth undergoing training, and not by the trainees themselves. But this cost tends to be paid out of income which the parents were able to earn generally by virtue of their privileged positions in the hierarchy of stratification. That is to say, the parents' ability to pay for the training of their children is part of the differential *reward* they, the parents, received for their privileged positions in the society. And to charge this sum up against sacrifices made by the youth is falsely to perpetrate a bill or a debt already paid by the society to the parents.

So far as the sacrifice of earning power by the trainees themselves is concerned, the loss may be measured relative to what they might have earned had they gone into the labor market instead of into advanced training for the "important" skills. There are several ways to judge this. One way is to take all the average earnings of age peers who did go into the labor market for a period equal to the average length of the training period. The total income, so calculated, roughly equals an amount which the elite can, on the average, earn back in the first decade of professional work, over and above the earnings of his age peers who are not trained. Ten years is probably the maximum amount needed to equalize the differential.⁷ There remains, on the average, twenty years of work during each of which the skilled person then goes on to earn far more than his unskilled age peers. And, what is often forgotten, there is then still another ten or fifteen year period during which the skilled person continues to work and earn when his unskilled age peer is either totally or partially out of the labor market by virtue of the attrition of his strength and capabilities.

One might say that the first ten years of differential pay is perhaps justified, in order to

regain for the trained person what he lost during his training period. But it is difficult to imagine what would justify continuing such differential rewards beyond that period.

Another and probably sounder way to measure how much is lost during the training period is to compare the per capita income available to the trainee with the per capita income of the age peer on the untrained labor market during the so-called sacrificial period. If one takes into account the earlier marriage of untrained persons, and the earlier acquisition of family dependents, it is highly dubious that the per capita income of the wage worker is significantly larger than that of the trainee. Even assuming, for the moment, that there is a difference, the amount is by no means sufficient to justify a lifetime of continuing differentials.

What tends to be completely overlooked, in addition, are the psychic and spiritual rewards which are available to the elite trainees by comparison with their age peers in the labor force. There is, first, the much higher prestige enjoyed by the college student and the professional-school student as compared with persons in shops and offices. There is, second, the extremely highly valued privilege of having greater opportunity for self-development. There is, third, all the psychic gain involved in being allowed to delay the assumption of adult responsibilities such as earning a living and supporting a family. There is, fourth, the access to leisure and freedom of a kind not likely to be experienced by the persons already at work.

If these are never taken into account as rewards of the training period it is not because they are not concretely present, but because the emphasis in American concepts of reward is almost exclusively placed on the material returns of positions. The emphases on enjoyment, entertainment, ego enhancement, prestige and esteem are introduced only when the differentials in these which accrue to the skilled positions need to be justified. If these other rewards were taken into account, it would be much more difficult to demonstrate that the training period, as presently operative, is really sacrificial. Indeed, it might turn

out to be the case that even at this point in their careers, the elite trainees were being differentially rewarded relative to their age peers in the labor force.

All of the foregoing concerns the quality of the training period under our present system of motivation and rewards. Whatever may turn out to be the factual case about the present system—and the factual case is moot—the more important theoretical question concerns the assumption that the training period under any system must be sacrificial.

There seem to be no good theoretical grounds for insisting on this assumption. For, while under any system certain costs will be involved in training persons for skilled positions, these costs could easily be assumed by the society-at-large. Under these circumstances, there would be no need to compensate anyone in terms of differential rewards once the skilled positions were staffed. In short, there would be no need or justification for stratifying social positions on these grounds.

(4) *In order to induce the talented persons to undergo these sacrifices and acquire the training, their future positions must carry an inducement value in the form of differential, i.e., privileged and disproportionate access to the scarce and desired rewards which the society has to offer.*

Let us assume, for the purposes of the discussion, that the training period is sacrificial and the talent is rare in every conceivable human society. There is still the basic problem as to whether the allocation of differential rewards in scarce and desired goods and services is the only or the most efficient way of recruiting the appropriate talent to these positions.

For there are a number of alternative motivational schemes whose efficiency and adequacy ought at least to be considered in this context. What can be said, for instance, on behalf of the motivation which De Man called "joy in work," Veblen termed "instinct for workmanship" and which we latterly have come to identify as "intrinsic work satisfaction?" Or, to what extent could the motivation of "social duty" be institutionalized in

such a fashion that self interest and social interest come closely to coincide? Or, how much prospective confidence can be placed in the possibilities of institutionalizing "social service" as a widespread motivation for seeking one's appropriate position and fulfilling it conscientiously?

Are not these types of motivations, we may ask, likely to prove most appropriate for precisely the "most functionally important positions?" Especially in a mass industrial society, where the vast majority of positions become standardized and routinized, it is the skilled jobs which are likely to retain most of the quality of "intrinsic job satisfaction" and be most readily identifiable as socially serviceable. Is it indeed impossible then to build these motivations into the socialization pattern to which we expose our talented youth?

To deny that such motivations could be institutionalized would be to overclaim our present knowledge. In part, also, such a claim would seem to derive from an assumption that what has not been institutionalized yet in human affairs is incapable of institutionalization. Admittedly, historical experience affords us evidence we cannot afford to ignore. But such evidence cannot legitimately be used to deny absolutely the possibility of heretofore untried alternatives. Social innovation is as important a feature of human societies as social stability.

On the basis of these observations, it seems that Davis and Moore have stated the case much too strongly when they insist that a "functionally important position" which requires skills that are scarce, "must command great prestige, high salary, ample leisure, and the like," if the appropriate talents are to be attracted to the position. Here, clearly, the authors are postulating the unavoidability of very specific types of rewards and, by implication, denying the possibility of others.

(5) *These scarce and desired goods consist of rights and perquisites attached to, or built into, the positions and can be classified into those things which contribute to (a) sustenance and comfort; (b) humor and diversion; (c) self respect and ego expansion.*

(6) *This differential access to the basic rewards of the society has as a consequence the differentiation of the prestige and esteem which various strata acquire. This may be said, along with the rights and perquisites, to constitute institutionalized social inequality, i.e., stratification.*

With the classification of the rewards offered by Davis and Moore there need be little argument. Some question must be raised, however, as to whether any reward system, built into a general stratification system, must allocate equal amounts of all three types of reward in order to function effectively, or whether one type of reward may be emphasized to the virtual neglect of others. This raises the further question regarding which type of emphasis is likely to prove most effective as a differential inducer. Nothing in the known facts about human motivation impels us to favor one type of reward over the other, or to insist that all three types of reward must be built into the positions in comparable amounts if the position is to have an inducement value.

It is well known, of course, that societies differ considerably in the kinds of rewards they emphasize in their efforts to maintain a reasonable balance between responsibility and reward. There are, for instance, numerous societies in which the conspicuous display of differential economic advantage is considered extremely bad taste. In short, our present knowledge commends to us the possibility of considerable plasticity in the way in which different types of rewards can be structured into a functioning society. This is to say, it cannot yet be demonstrated that it is *unavoidable* that differential prestige and esteem shall accrue to positions which command differential rewards in power and property.

What does seem to be unavoidable is that differential prestige shall be given to those in any society who conform to the normative order as against those who deviate from that order in a way judged immoral and detrimental. On the assumption that the continuity of a society depends on the continuity and stability of its normative order, some such distinction between conformists and deviants seems inescapable.

It also seems to be unavoidable that in any society, no matter how literate its tradition, the older, wiser and more experienced individuals who are charged with the enculturation and socialization of the young must have more power than the young, on the assumption that the task of effective socialization demands such differential power.

But this differentiation in prestige between the conformist and the deviant is by no means the same distinction as that between strata of individuals each of which operates *within* the normative order, and is composed of adults. The latter distinction, in the form of differentiated rewards and prestige between social strata is what Davis and Moore, and most sociologists, consider the structure of a stratification system. The former distinctions have nothing necessarily to do with the workings of such a system nor with the efficiency of motivation and recruitment of functionally important personnel.

Nor does the differentiation of power between young and old necessarily create differentially valued strata. For no society rates its young as less morally worthy than its older persons, no matter how much differential power the older ones may temporarily enjoy.

(7) *Therefore, social inequality among different strata in the amounts of scarce and desired goods, and the amounts of prestige and esteem which they receive, is both positively functional and inevitable in any society.*

If the objections which have heretofore been raised are taken as reasonable, then it may be stated that the only items which any society *must* distribute unequally are the power and property necessary for the performance of different tasks. If such differential power and property are viewed by all as commensurate with the differential responsibilities, and if they are culturally defined as *resources* and not as rewards, then, no differentials in prestige and esteem need follow.

Historically, the evidence seems to be that every time power and property are distributed unequally, no matter what the cultural definition, prestige and esteem differentiations have tended to result as well. Historically, however,

no systematic effort has ever been made, under propitious circumstances, to develop the tradition that each man is as socially worthy as all other men so long as he performs his appropriate tasks conscientiously. While such a tradition seems utterly utopian, no known facts in psychological or social science have yet demonstrated its impossibility or its dysfunctionality for the continuity of a society. The achievement of a full institutionalization of such a tradition seems far too remote to contemplate. Some successive approximations at such a tradition, however, are not out of the range of prospective social innovation.

What, then, of the "positive functionality" of social stratification? Are there other, negative, functions of institutionalized social inequality which can be identified, if only tentatively? Some such dysfunctions of stratification have already been suggested in the body of this paper. Along with others they may now be stated, in the form of provisional assertions, as follows:

1. Social stratification systems function to limit the possibility of discovery of the full range of talent available in a society. This results from the fact of unequal access to appropriate motivation, channels of recruitment and centers of training.
2. In foreshortening the range of available talent, social stratification systems function to set limits upon the possibility of expanding the productive resources of the society, at least relative to what might be the case under conditions of greater equality of opportunity.
3. Social stratification systems function to provide the elite with the political power necessary to procure acceptance and dominance of an ideology which rationalizes the *status quo*, whatever it may be, as "logical," "natural" and "morally right." In this manner, social stratification systems function as essentially conservative influences in the societies in which they are found.
4. Social stratification systems function to distribute favorable self-images unequally throughout a population. To the extent that such favorable self-images are requisite to the development of the creative potential inherent in men, to that extent stratification systems function to limit the development of this creative potential.
5. To the extent that inequalities in social rewards cannot be made fully acceptable to the less privileged in a society, social stratification systems function to encourage hostility, suspicion and distrust among the various segments of a society and thus to limit the possibilities of extensive social integration.
6. To the extent that the sense of significant membership in a society depends on one's place on the prestige ladder of the society, social stratification systems function to distribute unequally the sense of significant membership in the population.
7. To the extent that loyalty to a society depends on a sense of significant membership in the society, social stratification systems function to distribute loyalty unequally in the population.
8. To the extent that participation and apathy depend upon the sense of significant membership in the society, social stratification systems function to distribute the motivation to participate unequally in a population.

Each of the eight foregoing propositions contains implicit hypotheses regarding the consequences of unequal distribution of rewards in a society in accordance with some notion of the functional importance of various positions. These are empirical hypotheses, subject to test. They are offered here only as exemplars of the kinds of consequences of social stratification which are not often taken into account in dealing with the problem. They should also serve to reinforce the doubt that social inequality is a device which is uniformly functional for the role of guaranteeing that the most important tasks in a society will be performed conscientiously by the most competent persons.

The obviously mixed character of the functions of social inequality should come as no surprise to anyone. If sociology is sophisticated in any sense, it is certainly with regard to its awareness of the mixed nature of any social arrangement, when the observer takes into account long as well as short range consequences and latent as well as manifest dimensions.

Summary

In this paper, an effort has been made to raise questions regarding the inevitability and positive functionality of stratification, or institutionalized social inequality in rewards, allocated in accordance with some notion of the greater and lesser functional importance of various positions. The possible alternative meanings of the concept "functional importance" has been shown to be one difficulty. The question of the scarcity or abundance of available talent has been indicated as a principal source of possible variation. The extent to which the period of training for skilled positions may reasonably be viewed as sacrificial has been called into question. The possibility has been suggested that very different types of motivational schemes might conceivably be made to function. The separability of differentials in power and property considered as resources appropriate to a task from such differentials considered as rewards for the performance of a task has also been suggested. It has also been maintained that differentials in prestige and esteem do not necessarily follow upon differentials in power and property when the latter are considered as appropriate resources rather than rewards. Finally, some negative functions, or dysfunctions, of institutionalized social inequality have been tentatively identified, revealing the mixed character of the outcome of social stratification, and casting doubt on the contention that

Social inequality is thus an unconsciously evolved device by which societies insure that the most im-

portant positions are conscientiously filled by the most qualified persons.⁸

Notes

The writer has had the benefit of a most helpful criticism of the main portions of this paper by Professor W. J. Goode of Columbia University. In addition, he has had the opportunity to expose this paper to criticism by the Staff Seminar of the Sociology Section at Princeton. In deference to a possible rejoinder by Professors Moore and Davis, the writer has not revised the paper to meet the criticisms which Moore has already offered personally.

1. *American Sociological Review*, X (April, 1945), pp. 242-249. An earlier article by Kingsley Davis, entitled, "A Conceptual Analysis of Stratification," *American Sociological Review*, VII (June, 1942), pp. 309-321, is devoted primarily to setting forth a vocabulary for stratification analysis. A still earlier article by Talcott Parsons, "An Analytical Approach to the Theory of Social Stratification," *American Journal of Sociology*, XLV (November, 1940), pp. 849-862, approaches the problem in terms of why "differential ranking is considered a really fundamental phenomenon of social systems and what are the respects in which such ranking is important." The principal line of integration asserted by Parsons is with the fact of the normative orientation of any society. Certain crucial lines of connection are left unexplained, however, in this article, and in the Davis and Moore article of 1945 only some of these lines are made explicit.

2. The "scarcity and demand" qualities of goods and services are never explicitly mentioned by Davis and Moore. But it seems to the writer that the argument makes no sense unless the goods and services are so characterized. For if rewards are to function as differential inducements they must not only be differentially distributed but they must be both scarce and demanded as well. Neither the scarcity of an item by itself nor the fact of its being in demand is sufficient to allow it to function as a differential inducement in a system of unequal rewards. Leprosy is scarce and oxygen is highly demanded.

3. The arguments to be advanced here are condensed versions of a much longer analysis entitled, *An Essay on Social Stratification*. Perforce, all the reasoning necessary to support some of the contentions cannot be offered within the space limits of this article.

Inequality by Design

4. Davis and Moore are explicitly aware of the difficulties involved here and suggest two "indispensable clues" other than survival value. See footnote 3 on p. 244 of their article.

5. Davis and Moore state this point briefly on p. 248 but do not elaborate it.

6. In the United States, for instance, we are only now becoming aware of the amount of productivity we, as a society, lose by allocating inferior opportunities and rewards, and hence, inferior motivation, to our Negro population. The actual

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Inequality by Design

Why do some Americans have a lot more than others? Perhaps, inequality follows inevitably from human nature. Some people are born with more talent than others; the first succeed while the others fail in life's competition. Many people accept this explanation, but it will not suffice. Inequality is not fated by nature, nor even by the "invisible hand" of the market; it is a social construction, a result of our historical acts. *Americans have created the extent and type of inequality we have, and Americans maintain it.*

To answer the question of what explains inequality in America, we must divide it in two. First, who gets ahead and who falls behind in the competition for success? Second, what determines how much people get for being ahead or behind? To see more clearly that the two questions are different, think of a ladder that represents the ranking of affluence in a

amount of loss is difficult to specify precisely. Some rough estimate can be made, however, on the assumption that there is present in the Negro population about the same range of talent that is found in the White population.

7. These are only very rough estimates, of course, and it is certain that there is considerable income variation within the so-called elite group, so that the proposition holds only relatively more or less.

8. Davis and Moore, *op. cit.*, p. 243.

society. Question one asks why this person rather than that person ended up on a higher or lower rung. Question two asks why some societies have tall and narrowing ladders—ladders that have huge distances between top and bottom rungs and that taper off at the top so that there is room for only a few people—while other societies have short and broad ladders—ladders with little distance between top and bottom and with lots of room for many people all the way to the top.

The answer to the question of who ends up where is that people's social environments largely influence what rung of the ladder they end up on.¹ The advantages and disadvantages that people inherit from their parents, the resources that their friends can share with them, the quantity and quality of their schooling, and even the historical era into which they are born boost some up and hold others down. The children of professors, our own children, have substantial head starts over children of, say, factory workers. Young men who graduated from high school in the booming 1950s had greater opportunities than the

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ones who graduated during the Depression. Context matters tremendously.

The answer to the question of why societies vary in their structure of rewards is more political. In significant measure, societies choose the height and breadth of their "ladders." By loosening markets or regulating them, by providing services to all citizens or rationing them according to income, by subsidizing some groups more than others, societies, through their politics, build their ladders. To be sure, historical and external constraints deny full freedom of action, but a substantial freedom of action remains. In a democracy, this means that the inequality Americans have is, in significant measure, the historical result of policy choices Americans—or, at least, Americans' representatives—have made. In the United States, the result is a society that is distinctively *unequal*. Our ladder is, by the standards of affluent democracies and even by the standards of recent American history, unusually extended and narrow—and becoming more so.

To see how policies shape the structure of rewards (i.e., the equality of outcomes), consider these examples: Laws provide the ground rules for the marketplace—rules covering incorporation, patents, wages, working conditions, unionization, security transactions, taxes, and so on. Some laws widen differences in income and earnings among people in the market; others narrow differences. Also, many government programs affect inequality more directly through, for example, tax deductions, food stamps, social security, Medicare, and corporate subsidies.

To see how policies also affect which particular individuals get to the top and which fall to the bottom of our ladder (i.e., the equality of opportunity), consider these examples: The amount of schooling young Americans receive heavily determines the jobs they get and the income they make. In turn, educational policies—what sorts of schools are provided, the way school resources are distributed (usually according to the community in which children live), teaching methods such as tracking, and so on—strongly affect how much schooling

children receive. Similarly, local employment opportunities constrain how well people can do economically. Whether and where governments promote jobs or fail to do so will, in turn, influence who is poised for well-paid employment and who is not.

Claiming that intentional policies have significantly constructed the inequalities we have and that other policies could change those inequalities may seem a novel idea in the current ideological climate. So many voices tell us that inequality is the result of individuals' "natural" talents in a "natural" market. Nature defeats any sentimental efforts by society to reduce inequality, they say; such efforts should therefore be dropped as futile and wasteful. Appeals to nature are common and comforting. As Kenneth Bock wrote in his study of social philosophy, "We have been quick to seek explanations of our problems and failures in what we *are* instead of what we *do*. We seem wedded to the belief that our situation is a consequence of our nature rather than of our historical acts."² In this case, appeals to nature are shortsighted.

Arguments from nature are useless for answering the question of what determines the structure of rewards because that question concerns differences in equality *among societies*. Theories of natural inequality cannot tell us why countries with such similar genetic stocks (and economic markets) as the United States, Canada, England, and Sweden can vary so much in the degree of economic inequality their citizens experience. The answer lies in deliberate policies.

Appeals to nature also cannot satisfactorily answer even the first question: Why do some *individuals* get ahead and some fall behind? Certainly, genetic endowment helps. Being tall, slender, good-looking, healthy, male, and white helps in the race for success, and these traits are totally or partly determined genetically. But these traits matter to the degree that society makes them matter—determining how much, for example, good looks or white skin are rewarded. More important yet than these traits are the social milieux in which people grow up and live.

Realizing that intentional policies account for much of our expanding inequality is not only more accurate than theories of natural inequality; it is also more optimistic. We are today more unequal than we have been in seventy years. We are more unequal than any other affluent Western nation. Intentional policies could change those conditions, could reduce and reverse our rush to a polarized society, could bring us closer to the average inequality in the West, could expand both equality of opportunity and equality of result.

Still, the "natural inequality" viewpoint is a popular one. Unequal outcomes, the best-selling *Bell Curve* argues, are the returns from a fair process that sorts people out according to how intelligent they are.³ But *The Bell Curve's* explanation of inequality is inadequate. The authors err in assuming that human talents can be reduced to a single, fixed, and essentially innate skill they label intelligence. They err in asserting that this trait largely determines how people end up in life. And they err in imagining that individual competition explains the structure of inequality in society. . . .

Disparities in income and wealth, [other] analysts argue, encourage hard work and saving. The rich, in particular, can invest their capital in production and thus create jobs for all.⁴ This was the argument of "supply-side" economics in the 1980s, that rewarding the wealthy—for example, by reducing income taxes on returns from their investments—would stimulate growth to the benefit of all. The 1980s did not work out that way, but the theory is still influential. We *could* force more equal outcomes, these analysts say, but doing so would reduce living standards for all Americans.

Must we have so much inequality for overall growth? The latest economic research concludes *not*; it even suggests that inequality may retard economic growth. In a detailed statistical analysis, economists Torsten Persson and Guido Tabellini reported finding that, historically, societies that had more inequality of earnings tended to have lower, not higher, subsequent economic growth. Replications by

other scholars substantiated the finding: More unequal nations grew less quickly than did more equal societies.⁵ . . .

This recent research has not demonstrated precisely how greater equality helps economic growth,⁶ but we can consider a few possibilities. Increasing resources for those of lower income might, by raising health, educational attainment, and hope, increase people's abilities to be productive and entrepreneurial. Reducing the income of those at the top might reduce unproductive and speculative spending. Take, as a concrete example, the way American corporations are run compared with German and Japanese ones. The American companies are run by largely autonomous managers whose main responsibility is to return short-term profits and high stock prices to shareholders and—because they are often paid in stock options—to themselves as well. Japanese and German managers are more like top employees whose goals largely focus on keeping the company a thriving enterprise. The latter is more conducive to reinvesting profits and thus to long-term growth.⁷ Whatever the mechanisms may be, inequality appears to undermine growth. Americans certainly need not feel that they must accept the high levels of inequality we currently endure in order to have a robust economy.

A related concern for Americans is whether "leveling" stifles the drive to get ahead. Americans prefer to encourage Horatio Alger striving and to provide opportunities for everyone. Lincoln once said "that some would be rich shows that others may become rich."⁸ Many, if not most, Americans believe that inequality is needed to encourage people to work hard.⁹ But, if so, *how much* inequality is needed?

For decades, sociologists have been comparing the patterns of social mobility across societies, asking: In which countries are people most likely to overcome the disadvantages of birth and move up the ladder? In particular, does more or less equality encourage such an "open" society? The answer is that Western societies vary little in the degree to which children's economic successes are constrained by their parents' class positions. America, the

most unequal Western society, has somewhat more fluid intergenerational mobility than do other nations, but so does Sweden, the most equal Western society.¹⁰ There is no case for encouraging inequality in this evidence, either.

In sum, the assumption that considerable inequality is needed for, or even encourages, economic growth appears to be false. We do not need to make a morally wrenching choice between more affluence and more equality; we can have both. But even if such a choice were necessary, both sides of the debate, the "altruists" who favor intervention for equalizing and the supposed "realists" who resist it, agree that inequality can be shaped by policy decisions: wittingly or unwittingly, we choose our level of inequality.

Notes

1. We know that in statistical models of individual status attainment much, if not most, of the variance is unaccounted for. Of the explained variance, however, the bulk is due to social environment broadly construed. Also, we believe that much of the residual, unexplained variance is attributable to unmeasured social rather than personal factors.
2. Kenneth Bock, *Human Nature Mythology* (Urbana 1994), p. 9.
3. Richard J. Herrnstein and Charles Murray, *The Bell Curve: Intelligence and Class Structure in American Life* (New York 1994).
4. See, for example, Rich Thomas, "Rising Tide Lifts the Yachts: The Gap Between Rich and Poor Has Widened, but There Are Some Comforting

Twists," *Newsweek*, May 1, 1995. See also George Will, "What's Behind Income Disparity," *San Francisco Chronicle*, April 24, 1995.

5. Torsten Persson and Guido Tabellini, "Is Inequality Harmful for Growth?" *American Economic Review* 84, 1994; Roberto Chang, "Income Inequality and Economic Growth: Evidence and Recent Theories," *Economic Review* 79, 1994; George R.G. Clarke, "More Evidence on Income Distribution and Growth," *Journal of Development Economics* 47, 1995. See also Peter H. Lindert, "The Rise of Social Spending," *Explorations in Economic History* 31, 1994.

6. Persson and Tabellini's explanation ("Is Inequality Harmful?") for their results is that in societies with greater earnings inequality, there is less political pressure for government redistribution; such redistribution impairs growth. However, their evidence for the explanation is thin, and Clarke's results ("More Evidence") are inconsistent with that argument. Chang ("Income Inequality") suggests that with more equality, lower-income families could make longer-term investment decisions. In any event, the statistical results suggest that government intervention on behalf of equality in the market, rather than after the market, would be beneficial.

7. See, for example, Michael Porter, *Capital Choices: Changing the Way America Invests in Industry* (Washington 1992).

8. Quoted by Alan Trachtenberg, *The Incorporation of America: Culture and Society in the Gilded Age* (New York 1982), p. 75.

9. See, for example, Lee Rainwater, *What Money Buys: Inequality and the Social Meanings of Income* (New York 1974); James R. Kluegel and E.R. Smith, "Beliefs About Stratification," *Annual Review of Sociology* 7, 1981.

10. Harry B.G. Ganzeboom, Donald J. Treiman, and Wout C. Ultee, "Comparative Intergenerational Stratification Research," *Annual Review of Sociology* 17, 1991.

CONCLUDING COMMENTARY TO PART TWO

GERHARD LENSKI

New Light on Old Issues: The Relevance of "Really Existing Socialist Societies" for Stratification Theory

Scholars have long debated the causes, consequences, and legitimacy of systems of social inequality, with some defending them as natural, inevitable, or even divinely ordained, and others challenging them as unnatural, unnecessary, and immoral (Lenski 1966, ch. 1). In the twentieth century, the most important challenges have come from groups and individuals inspired, directly or indirectly, by the work of Marx and his followers.

One does not need to look far in sociology to see the impact of Marx's vision and the controversies it has created. As many have observed, the long-running debate between functionalists and their critics is, in many ways, a debate over the merits of Marxism: Functionalists maintain that economic inequality is both necessary for societies and beneficial for the vast majority of their members, whereas their critics argue that it is neither.

Unfortunately, from the standpoint of our understanding of the causes and consequences of systems of stratification and the merits of Marx's ideas, the debate among sociologists has focused almost entirely on the experience of Western "capitalist" societies.¹ Surprisingly little attention has been devoted to the experience of the former Soviet republics, Poland, East Germany before unification, the once-United Czechoslovakia, Hungary, the former Yugoslavia, Romania,

Bulgaria, Albania, China, Cuba, North Korea, Vietnam, and other societies that were or have been governed for extended periods by dedicated Marxists. Yet, as East European sociologists have often pointed out in recent years, these societies have provided a unique set of laboratories for observing the effects of "really existing socialism."² They allow us to observe socialist societies functioning in the real world under real-life conditions. In these societies, we can see what actually happens when private ownership is abolished and the emphasis in a society's system of rewards is shifted from material incentives to moral incentives. Imperfect though these tests have been, they shed valuable new light on the causes and consequences of inequalities in power and privilege.³ The results have been much too consistent to be ignored or written off as simply a matter of chance, and the consistency is especially impressive when one considers the great cultural diversity of the societies involved.

For many years, Western sociologists could justify their inattention to "really existing socialist societies" because of the difficulties of obtaining reliable data. By the early 1970s, however, a sufficient body of evidence had accumulated, and political conditions in a number of Marxist societies had improved to the point that one could, with some confidence, begin to form a fairly accurate view of a number of important aspects of the new Marxist systems of stratification. On the basis of mate-

¹This is an original article prepared for this book.

rials available at the time, I concluded in an earlier article (Lenski 1978) that these "experiments in destratification" had enjoyed their greatest successes in reducing *economic* inequality: Differentials in wealth and income appeared to be substantially less in societies governed by Marxist elites than in other societies. These successes were offset, however, by two major failures: (1) *Political* inequalities in these societies were enormous, far greater than in any of the Western industrial democracies, and (2) none of these societies had achieved anything remotely resembling the critical transformation in human nature that Marx had predicted would follow the abolition of private property and would lay the foundation for the subsequent evolution of societies from socialism to communism. These failures, I concluded, were due in large measure to a critical flaw in Marxian theory—its unrealistic assumptions about human nature.

Looking back, I believe these conclusions have stood the test of time fairly well. Of course, information that has since emerged and the wisdom of hindsight would lead me to modify and extend them. For example, recent revelations following the overthrow of the Marxist regimes in Eastern Europe indicate that the level of economic inequality in those societies was greater than I was then aware. To cite but three examples: (1) After the overthrow of Todor Zhikov, the Bulgarian public and the rest of the world learned that during his years in power he had acquired no fewer than thirty separate homes for his personal use and that he and other top Communist Party leaders had accumulated millions of dollars in secret foreign bank accounts (Laber 1990); (2) the longtime Communist leader of Romania, Nicolae Ceausescu, amassed forty villas and twenty palaces for himself and his family and accumulated millions in Swiss bank accounts at a time when the bulk of the population was often living without heat or light (*Washington Post* 1990); and (3) in East Germany, Erich Honecker accumulated millions of dollars in Swiss bank accounts by skimming profits from arms sales to Third World nations, while sharing with other top

Communist Party leaders exclusive private hunting preserves and other luxuries that were denied to, and hidden from, the rest of the population. Although it has long been clear that Communist Party elites enjoyed many privileges that were denied to others (Matthews 1978), the extent of these privileges has proved to be much greater than most had supposed. That these were not merely aberrations of East European Marxism is indicated by non-European examples: In Nicaragua, the villas and much of the other property once owned by Anastasio Somoza and his associates became the personal property of top Sandinista leaders and their families, while in China and Vietnam, Communist Party elites continue to live in closed compounds (similar to those in the former East Germany) where living conditions are carefully hidden from public scrutiny (Salisbury 1992).

At the other extreme, poverty in these societies was more widespread and more serious than Western observers generally realized. Reports by Soviet authorities in the late 1980s indicated that at least 20 percent of the population was living at or below the official poverty level (Fein 1989). Homelessness was also reported to be a problem in Moscow and other Soviet cities, while studies in Hungary at the end of the Communist era found that a quarter of the population was living in poverty (Kamm 1989).

Despite these revelations, it still appears that the level of economic inequality in Marxist societies never equaled the level found in Japan and most of the Western democracies. Wealthy and privileged though the Zhikovs, Ceausescus, and Honeckers were by comparison with their fellow citizens, the magnitude of their wealth never compared with the great fortunes amassed by leading Western and Japanese businessmen and by oil-rich Middle Eastern leaders. Furthermore, passing wealth on to the next generation has always been much more difficult in Marxist societies than elsewhere, as the unhappy experiences of the Leonid Brezhnev family and others indicate.⁴

A more serious flaw in my earlier assessment was its failure to anticipate the speed and magnitude of the changes that lay ahead. Although I anticipated that the gradual process of political liberalization that began after Stalin's death would continue, and that other changes would occur in response to problems encountered and to the changing needs and growing demands of a better educated population, I cannot pretend to have foreseen the sudden collapse of Communist Party hegemony, the rapid emergence of multiparty systems, or the radical economic changes that have occurred in most of Eastern Europe.

The benefit of hindsight makes clear that the internal, systemic problems of the command economies and one-party politics of Marxist societies were far more serious than most Western observers suspected. In fact, it now appears that the greatest success of Marxist regimes was their ability to dissimulate—a success that was too often achieved because of the readiness of large numbers of Western journalists, scholars, and others to accept glowing reports of socialist successes uncritically (Hollander 1981; Fang 1990). With the revelations that have followed in the wake of the democratic revolutions in Eastern Europe, we now know that the economies of these societies had been stagnating for years and that much of the population had become disaffected and hostile. Worse yet, Marxism and Marxist elites had lost whatever legitimacy they once enjoyed in the minds of many people, especially intellectuals and other opinion leaders and even Party members. (Ironically, this was at a time when Marxism was becoming increasingly fashionable among Western intellectuals.)

These developments have great relevance for our understanding of the causes and consequences of inequality, since it seems that many of the internal, systemic problems of Marxist societies were the result of inadequate motivational arrangements of the sort debated by stratification theorists such as Davis and Moore (1945), Davis (1953), and Tumin (1953). These problems were of two basic types: (1) undermotivation of ordinary

workers and (2) misdirected motivation of managers, bureaucrats, and other decision-makers.

The first of these problems was summarized succinctly years ago by East European workers themselves who said, "They pretend to pay us, and we pretend to work" (Dobbs 1981). The rewards for most kinds of work simply did not justify anything more than minimal, perfunctory effort (Shlapentokh 1989, ch. 2). Shoddy workmanship, sullen workers, absenteeism, corruption, and bureaucratic pathologies of various kinds came to typify worker performance in Marxist societies (*The Economist* 1988). These problems are present in every society to some degree, but they became far more prevalent and far more serious in the socialist economies of Marxist societies than in most others. They became so serious, in fact, that they had demoralizing consequences for the vast majority of citizens: endless hours spent in lines queuing for merchandise that was either of poor quality or in short supply, frequent confrontations with surly state employees, unsatisfactory housing, an inadequate health-care system, and more. To add insult to injury, most citizens became aware that a small minority of their fellows was exempted from most of these problems. For them, there were well-stocked stores with better quality merchandise in ample supply and more responsive employees, better housing, better health-care facilities, better schools for their children, second homes, and countless other perks. Worse, this elite preached socialism and the need for sacrifice while enjoying all these special privileges.

To describe the conditions that developed in these societies is to raise the question of why the system failed so badly. What went wrong, and why was the promise of freedom and affluence for the masses never achieved?

For many years, Marxist elites in Eastern Europe and their Western sympathizers explained away these problems on the grounds of *external factors*: the historic backwardness of Eastern Europe, the damage to the Soviet economy caused by the civil war that followed the 1917 revolution, and the hostility

of the Western democracies. Although there was much truth to these claims, it has become increasingly clear that *internal, systemic factors* were also a major source of problems for many years. By the late 1980s, this had become obvious even to the leaders of these societies, with many of them becoming advocates of change, and some abandoning Marxism altogether.

Over the years, Marxist societies experimented with a variety of incentive systems, but the egalitarian nature of Marxist ideology always led to substantial limitations on wage differentials for the masses of workers.⁵ Over time, however, the severity of these limitations varied as Party elites attempted either to improve the economic performance of their societies or, alternatively, to conform more closely to socialist principles. In a few instances, in an excess of socialist zeal, wage differentials were virtually eliminated. In Czechoslovakia in the early 1960s, for example, wage differences were reduced to the point that engineers and highly skilled workers earned only 5 percent more than unskilled workers. Because of this, large numbers of talented young people dropped out of school, feeling that it was not worth the effort required and the income that would be sacrificed to continue their education. Moral problems also developed among skilled workers, engineers, and other professionals. Within several years, problems had become so acute that authorities were forced to reverse themselves and increase rewards for better educated and more highly skilled workers. A similar crisis developed in the Soviet Union in the early 1930s, forcing Stalin to increase material incentives and wage differentials substantially (Inkeles 1950), and there is growing evidence that the economic crisis in the Soviet Union of the 1980s developed initially in response to a process of wage leveling begun under Brezhnev.

The chief reason for these problems appears to be a basic flaw in Marxist theory. Writing in the nineteenth century, Marx was heir to the eighteenth-century Enlightenment view of human nature—an optimistic view that saw the unattractive aspects of human

life as products of corrupting social institutions that could be eliminated by rational social engineering. Whereas the French philosophers blamed the defects in human nature on the influence of church and state, Marx saw private property as the ultimate source of society's ills: If it were abolished, human nature would be transformed. Once socialism was established and the means of production were owned by all, moral incentives could replace material incentives and workers would find work intrinsically rewarding (see also Tumin [1953] on this point). They would work for the sheer joy of working and for the satisfaction of contributing to society's needs, not simply to earn a livelihood.

Unfortunately, the abolition of private property failed to produce the happy transformation in human nature that Marx anticipated. On the contrary, freed from the fear of unemployment and lacking adequate material incentives, worker performance deteriorated and production stagnated or declined in Marxist societies everywhere (Shlapenokh 1989; *The Economist* 1988; Silk 1990; Kamm 1989; Jones 1981; Scammel 1990; Huberman and Sweezy 1967; Zeitlin 1970). The most compelling evidence of this has come from the two Germanys, which shared a common cultural heritage that involved a long tradition of worker pride. Yet by the closing days of the German Democratic Republic, reports of slack work patterns were widespread, and many East German workers were quoted as expressing concern that they would be unable to adapt to the more demanding standards of West German industry. In 1990, at the twenty-eighth Communist Party congress in the Soviet Union, President Mikhail Gorbachev's close associate, Aleksandr Yakovlev, asserted that labor productivity in capitalist South Korea was substantially greater than in socialist North Korea (New York Times News Service 1990). Tatiana Zaslavskaja, a leading Soviet sociologist, found that as many as a third of Soviet workers hated work and were unresponsive to incentives of any kind (Shlapenokh 1987).

But the motivational problems of Marxist societies stemmed from more than faulty assumptions about human nature. They were also due to defective organizational arrangements spawned by the command economies of those societies. Lacking the system of automatic controls inherent in a market economy, economic planners were forced to devise elaborate plans and assign production quotas for the managers of every enterprise. To ensure fulfillment of these quotas, managers were awarded bonuses for meeting or exceeding them and were penalized severely for any shortfall. One unanticipated consequence of this seemingly rational procedure was that managers acquired a strong incentive to stockpile essential resources of every kind—including labor (Kostakov 1989; Smith 1976; Greenhouse 1989). Thus, labor resources in these societies came to be used very inefficiently; the result was that workers became cynical about the value of what they were called on to do.

Managers also developed a variety of other unfortunate adaptations to central planning. They learned, for example, that quantity, not quality, was what their bosses, the central planners, cared about (Parkhomovsky 1982).⁶ They also learned that production figures could be inflated without much risk because their bosses were also rewarded for good statistics and no one had any interest in seeing if actual performance matched reported performance (G. Medvedev 1989; Z. Medvedev 1990).

Finally, managers learned that there were only minimal rewards for reinvestment and for technological innovation. Lacking pressures from direct economic competition, Party leaders and planners failed to appreciate the importance of continuous modernization of their industrial plant. According to one account, Soviet managers received bonuses of 33 percent for fulfilling production quotas but only 8 percent for fulfilling the plan for new technology (*The Economist* 1988, 11). Thus, because capital investment and technological advances were badly neglected, the command economies of Marxist societies became less and less competitive in world markets.⁷

All of this evidence seems to confirm Davis's (1953) assertion that successful incentive systems involve (1) motivating the best qualified people to seek the most important positions and (2) motivating them to perform to the best of their ability once they are in them. Marxist societies seem to have failed on both counts, using political criteria primarily both to allocate positions and to reward incumbents (Voslensky 1984; Kennedy and Bialecki 1989; Voinovich 1989).

The many malfunctions in the command economies of Marxist societies raise the question of whether they were more or less inevitable consequences of the system itself. This is a question of considerable importance, since command economies are not confined to Marxist societies. The public sector in every society functions as a command economy, and the public sector has been expanding in most societies in recent decades.

Although it is not possible to explore this question in depth here, several observations are in order. First, a substantial majority of the citizens in most of the once socialist societies of Eastern Europe rejected the system when given the chance. Even many Party leaders came to have little faith in central planning and the command economy. As one member of the Soviet Congress of People's Deputies said on the floor of that body, his nation taught the world a valuable lesson by testing, at great cost to itself, what proved to be "an impossible system of economic development" (Zakharov 1990).

Second, there have been remarkable similarities in the performance of command economies in otherwise widely divergent Marxist societies. Most of the pathologies found in Eastern Europe—absenteeism, poor work discipline, low levels of productivity, failure to reinvest in plants and to encourage innovation—have also been reported in China, Cuba, and elsewhere.

Finally, many of these same problems are also evident in the public sector of non-Marxist societies. Government workers and workers in state-owned Western enterprises are widely perceived as less diligent, innovative,

enterprising, and responsive than workers in private industry. Negative associations with the term "bureaucrat" are almost as strong in non-Marxist societies as in Marxist ones. In addition, government agencies in these societies are often noted for their inefficiency in use of human and other resources. Managers in these bureaucracies often find that they are more likely to maximize their own rewards by expanding the size of the work force and other resources under their supervision (regardless of need) than by using these resources efficiently.

Some observers have argued that the massive failures of the socialist economies of Marxist societies in Eastern Europe and elsewhere demonstrate the obvious superiority of capitalism and indicate that the future lies with capitalism. That conclusion, however, seems unwarranted. As noted earlier, even those societies that are usually referred to as "capitalist" have, in reality, very *mixed economies*. To paraphrase Marx, they are societies in which rewards are allocated partly on the basis of *need*, partly on the basis of *work*, and partly on the basis of *property*. In short, they combine elements of communism, socialism, and capitalism and are the product of trial-and-error experimentation guided, in large measure, by a spirit of pragmatism. Mixed economies are systems that recognize the need for material incentives and acknowledge the benefits of economic inequality. But they are also systems that recognize the necessity of allocating a part of the economic product on the basis of need and most on the basis of work.⁸ In short, the old view of societies as being either capitalist or socialist seems increasingly irrelevant.

Over time, an ever-increasing number of societies and their leaders have accomplished what scholarly theorists have so notably failed to achieve: They have created a workable synthesis out of seemingly contradictory principles of allocation. One of the urgent tasks for students of inequality in the years ahead will be to catch up with this new social reality and create the kind of theoretical synthesis that does justice to the economic synthesis that has been created in most Western

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democracies in recent decades. Too much of stratification theory still resembles the work of the proverbial blind men struggling to describe an elephant.

No real synthesis is likely to emerge, however, so long as students of stratification ignore the crucial body of evidence that has accumulated concerning the effects on motivation and productivity of the massive experiments in de-stratification conducted in the twentieth century by Marxist elites. In effect, these experiments have provided us with far better evidence than any we have had before of the limits of what is possible in terms of the reduction of differentials in wealth and income. And although these tests cannot be considered definitive, neither can they be written off and ignored as most analysts have done so far.

Notes

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1. I have qualified the label *capitalist* because all Western industrial societies now have mixed economies with substantial state controls over and limitations on the rights of ownership.

2. The terms *really existing socialism* and *really existing socialist societies* were coined by East European sociologists. Although the Marxist-Leninist societies, to which the terms have been applied, represent but one version of socialism, they are especially important for stratification theory because the former leaders of these societies were able to implement the basic socialist principle of abolishing private property far more successfully than socialists in Western Europe ever were.

3. Unfortunately, imperfect tests are a fact of life in the social sciences. If the tests of Marxist theory that are possible in Marxist societies fall short of the scientific ideal, the same is true of almost every test in the social sciences. To deny the relevance of evidence from imperfect tests would be to deny the relevance of most of what has been learned over the years in the social sciences.

4. Shortly after Brezhnev's death, his son-in-law was arrested and sentenced to prison on charges of corruption.

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5. The salaries of Party leaders were also kept quite low, but they were compensated generously in a variety of other ways.

6. Quality controls are far more likely when consumers can choose among competing products. When people must use their own money to purchase goods and services, they are not nearly so willing to accept inferior products as when they are using public funds.

7. For example, only 23 percent of Soviet inventions were put to use within two years of their date of patenting, compared to 66 percent of American inventions and 64 percent of West German (*The Economist* 1988).

8. Internal Revenue Service data indicate that approximately 10 percent of U.S. GNP is allocated on the basis of need (public health, welfare, and education expenditures), 70 percent on work (wages and salaries), and 20 percent on property (interest, rents, dividends, capital gains) (Lenski 1984:202).

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Part III

The Structure of Contemporary Stratification

Theories of Class

Marx and Post-Marxists

Weber and Post-Weberians

Durkheim and Post-Durkheimians

The Ruling Class and Elites

Generational Status Groupings

Reputation, Deference, and Prestige

Occupational Hierarchies