

**Foster, J. B. (2007). Aspects of class in the United States: A prologue. In M.**

**Yates (ed.), *More unequal: Aspects of class in the United States*. New York:**

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If class war is continual in capitalist society, there is no doubt that in recent decades in the United States it has taken a much more virulent form. In a speech delivered at New York University in 2004, Bill Moyers pointed out:

Class war was declared a generation ago in a powerful paperback polemic by William Simon, who was soon to be Secretary of the Treasury. He called on the financial and business class, in effect, to take back the power and privileges they had lost in the Depression and the New Deal. They got the message, and soon they began a stealthy class war against the rest of the society and the principles of our democracy. They set out to trash the social contract, to cut their workforces and wages, to scour the globe in search of cheap labor, and to shred the social safety net that was supposed to protect people from hardships beyond their control. *Business Week* put it bluntly at the time [in its October 12, 1974 issue]: "Some people will obviously have to do with less .... It will be a bitter pill for many Americans to swallow the idea of doing with less so that big business can have more."<sup>1</sup>

The effects of this relentless offensive by the vested interests against the rest of the society are increasingly evident. In 2005, the *New York Times* and the *Wall Street Journal* each published a series of articles focusing on class in the United States. This rare open acknowledgment of the importance of class by the elite media can be attributed in part to rapid increases in income and wealth inequality in U.S. society over the last couple of decades—coupled with the dramatic effects of the Bush tax cuts that have primarily benefited the wealthy. But it also grew out of a host of new statistical studies that have demonstrated that intergenerational class mobility in the United States is far below what was previously supposed, and that the United States is a more class-bound society than its major Western European counterparts, with the exception of Britain. In the words of the *Wall Street Journal* (May 13, 2005):

Although Americans still think of their land as a place of exceptional opportunity—in contrast to class-bound Europe—the evidence suggests otherwise. And scholars have, over the past decade, come to see America as a less mobile society than they once believed. As recently as the later 1980s, economists argued that not much advantage passed from parent to child, perhaps as little as 20 percent. By that measure, a rich man's grandchild would have barely any edge over a poor man's grandchild .... But over the last 10 years, better data and more number-crunching have led economists and sociologists to a new consensus: The escalators of mobility move much more slowly. A substantial body of research finds that at least 45 percent of parents' advantage in income is passed along to their children, and perhaps as much as 60 percent. With the higher estimate, it's not only how much money your parents have that matters— even your great-great grandfather's wealth might give you a noticeable edge today.

As Paul Sweezy once observed, "Self-reproduction is an *essential* characteristic of a class as distinct from a mere stratum."<sup>2</sup> What is clear from recent data is that the upper classes in the United States are extremely effective in reproducing themselves—to a degree that invites no obvious historical comparison in modern capitalist history. According to the *New York Times* (November 14, 2002), "Bhashkar Mazumber of the Federal Reserve Bank of Chicago ... found

that around 65 percent of the earnings advantage of fathers was transmitted to sons." Tom Hertz, an economist at American University, states that "while few would deny that it is *possible* to start poor and end rich, the evidence suggests that this feat is more difficult to accomplish in the United States than in other high-income nations."<sup>3</sup>

The fact that the rich are getting both relatively and absolutely richer, and the poor are getting relatively (if not absolutely) poorer, in the United States today is abundantly clear to all—although the true extent of this trend defies the imagination. Between the years 1950 and 1970, for each additional dollar made by those in the bottom 90 percent of income earners, those in the top 0.01 percent received an additional \$162. In contrast, from 1990 to 2002, for every added dollar made by those in the bottom 90 percent, those in the uppermost 0.01 percent (today around 14,000 households) made an additional \$18,000.<sup>4</sup>

Wealth is always far more unevenly divided than income. In 2001 the top 1 percent of wealth holders accounted for 33 percent of all net worth in the United States, twice the total net worth of the bottom 80 percent of the population. Measured in terms of financial wealth (which excludes equity in owner-occupied houses), the top 1 percent in 2001 owned more than four times as much as the bottom 80 percent of the population. Between 1983 and 2001, the top 1 percent grabbed 28 percent of the rise in national income, 33 percent of the total gain in net worth, and 52 percent of the overall growth in financial worth.<sup>5</sup>

Nevertheless, a considerable portion of the population still seems willing to accept substantial differentials in economic rewards on the assumption that these represent returns to merit and that all children have a fighting chance to rise to the top. The United States, the received wisdom tells us, is still the "land of opportunity." The new data on class mobility, however, indicate that this is far from the case and that the barriers separating classes are hardening.

How class advantages are passed on from one generation to the next is of course enormously difficult to determine—if only because class privileges are so various. Class inequality manifests itself in wealth, income, and occupation, but also in education, consumption, and health—and each of these are among the means by which class advantages/disadvantages are transmitted. Class inequalities, Sweezy explained,

are not only or perhaps even primarily a matter of income: [in certain social settings] a considerable range of income differentials would be compatible with all children having substantially equal life chances. More important are a number of other factors which are less well defined, less visible, and impossible to quantify: the advantages of coming from a more "cultured" home environment, differential access to educational opportunities, the possession of "connections" in the circles of those holding positions of power and prestige, and self-confidence which children absorb from their parents—the list could be expanded and elaborated.<sup>6</sup>

Such intangibles are difficult to measure, but in a capitalist society they tend to interact with large differentials in income and property ownership and hence leave their quantitative trace there. It is this constellation of class advantages roughly correlated with income and wealth, though not simply reducible to these elements, that allows the privileged to maintain their positions of economic status and power intergenerationally, even in the context of a society that on the surface appears to have many of the characteristics of a meritocracy. The well-to-do get better education, enjoy better health, have more opportunities to travel, benefit from a wide array of personal services (derived from purchase of the labor services of others), etc.—all of which translates into class advantages passed on to their children.

The fact that strong barriers restricting upward class mobility exist is of course the first point to be considered in class analysis—since without this classes would be nonexistent. However, the real historical significance of class goes far beyond this. Class is not simply about the life

chances of a given individual or a family; it is the prime mover in the constitution of modern society, governing both the distribution of power and the potential for social change. It therefore permeates all aspects of social existence.

At present there is no well-developed theory of class in all of its aspects, which remains perhaps the single biggest challenge facing the social sciences. Indeed, failure to advance in this area can be seen as symptomatic of the general stagnation of the social sciences over much of the twentieth century. Nevertheless, most Marxist analyses of class take their starting point from Lenin's famous definition of class:

Classes are large groups of people differing from each other by the place they occupy in a historically determined system of social production, by their relation (in most cases fixed and formulated in law) to the means of production, by their role in the social organization of labour, and, consequently, by the dimensions of the share of social wealth of which they dispose and the mode of acquiring it.<sup>7</sup>

Like all brief definitions of class, this one has its weaknesses, since it is not able to take in the dynamic nature of class relations. As Sweezy argued, a systematic treatment of class and class struggle "needs also to encompass at least the following: the formation of classes in conflict with other classes, the character and degree of their self-consciousness, their internal organizational structures, the ways in which they generate and utilize ideologies to further their interests, and their modes of reproduction and self-perpetuation."<sup>8</sup> If we are speaking of a "ruling class," then the ways in which this class dominates the economy and the state need to be understood. Further, it is crucial to ascertain how class articulates itself in relation to other social relations and forms of oppression, such as race and gender.

An investigation of class thus leads to the analysis of society as a whole, its relationships of power, conflict, and change. Marxist approaches to class are distinctive in the degree to which they adopt the standpoint of *the class struggle*. By focusing on class and class struggle in this way the underlying purpose is clear: not simply to interpret die world but to change it.

## Notes

1. Bill Moyers, "This Is the Fight of Our Lives," keynote speech, Inequality Matters Forum, New York University, June 3, 2004, <http://www.commondreams.org/views04/0616-09.htm/>.
2. Paul M. Sweezy, "Paul Sweezy Replies to Ernest Mandel," *Monthly Review* 31. no. 3 (July-August 1979): 82.
3. Tom Hertz, *Understanding Mobility in America*, Center for American Progress, April 26, 2006, i, 8, <http://www.americanprogress.org/>.
4. Correspondents of the *New York Times* and Bill Keller, *Class Matters* (New York: Times Books, 2005), 186.
5. Edward N. Wolff, "Changes in Household Wealth in die 1980s and 1990s in the U.S.," April 27, 2004, draft, in Wolff, *Intel-national Perspectives on Household Wealth* (Brookfield, VT: Edward Elgar, 2006), <http://www.econ.nyu.edu/user/wolffe/>.
6. Sweezy's comments were directed mainly at post-revolutionary societies, but he made it clear that the same issues related to the reproduction of class in capitalist societies. I have inserted a brief qualification in square brackets to avoid any misunderstandings related to the specific context in which he was writing. See Paul M. Sweezy, *Post-Revolutionary Society* (New York: Monthly Review Press, 1980), 79-80.
7. V. I. Lenin, *Selected Works* (Moscow: Progress Publishers, 1971), 486.
8. Sweezy, "Paul Sweezy Replies to Ernest Mandel," 79.