

CHAPTER 13

THE THEORY OF SOCIAL CLASSES

The technobureaucracy constitutes a social class to the extent to which it takes on all the specific characteristics of this social category in the twentieth century. It is no longer a status group, as the bureaucracy was under feudalism and in the competitive phase of capitalism. The technobureaucracy is the dominant class in statism and the rising class in technobureaucratic capitalism. In a social formation which is basically state controlled like the Soviet Union or China, the technobureaucracy is the dominant class. In mixed social formations such as United States, France or Brazil, where the capitalist mode of production is dominant, the technobureaucracy is increasing both in strength and numbers, although it is subordinated to the bourgeoisie.

According to the Marxist tradition, that I basically adopt in defining social classes, they are large social groups defined by their insertion in the fundamental relations of production within a particular mode of production. Two basic classes exist within every antagonistic mode of production: the dominant class which controls the state and appropriates economic surplus, and the dominated class. These two classes are defined by the roles they play in production, the direct result of the social division of labor. Aside from the various smaller subdivisions, there is a fundamental division between those who own the means of production, and consequently control them, and those who do not.

It is this basic relation of production which gives a structural definition to social classes. It establishes the essential functions that social agents fulfill in the productive process as well as the corresponding forms of participation in the social product. Supported by the state apparatus which it controls, the dominant class in each mode of production appropriates surplus for itself. This appropriation takes the form of tributes in the Asiatic mode of production, slave labor in slavery, the corvee in feudalism, speculative profit or primitive accumulation in mercantile capitalism, and surplus value in capitalism.

Until almost the end of the nineteenth century, workers were forced to accept remuneration for their labor which corresponded to mere subsistence. Surplus was fully appropriated by the dominant class. Classical economists and Marx defined wage labor precisely as the subsistence level. They developed a theory of income distribution in which wages were given as this subsistence level, yet historically determined, while profits appeared as the residuum, as the consequence of the increase (or decrease, in the stagnation theories of Ricardo and Marx) of productivity. The tremendous increase in productivity brought by capitalism and the increasing organizational capacity of workers changed this picture. Wages began to increase above the subsistence level, in proportion to

the increase in productivity, while profits remained relatively constant in the long run, only fluctuating cyclically.⁵⁷ Thus today, in technobureaucratic or contemporary capitalism, part of the surplus is appropriated by the workers.

To define dominant and dominated social classes in terms of appropriation and no appropriation of surplus does not make sense anymore. But to define classes in terms of their position in the relations of production continues to be valid, as long as we do not translate relations of productions into levels of income. Society today is much more complex, and the division of labor is much more advanced than in the past. The division of society into classes according to the position of each individual in the relations of production is not direct as it was in the past. But this position continues to be essential in defining social classes. You either directly own means of production, you control the bureaucratic organization that owns the means of production, or you perform direct labor. According to these possibilities, you will belong either to the capitalist, to the technobureaucratic middle class or to the working class.

1. Major actors in history

The structural definition of the social classes based on their participation in the relations of production is not meant to be merely descriptive. In terms of the Marxist thought which underlies the argument, social classes are the privileged players in history, their action taking place through the process of class struggle. Social classes define themselves in terms on conflict, in terms of struggle for state power and in terms of the dispute over the appropriation of surplus. In Marx and Engels' words:

The separate individuals form a class only insofar as they have to carry on a common battle against another class... (1846: 82)

Yet, aside from class struggle, the conflicts between nations and between fractions within the dominant class must also be considered. Basically, war is a strategy of the dominant classes, a form of appropriating external surplus and also a form of neutralizing internal class conflict. Struggles among fractions of the dominant class take place primarily when the dominant class is so hegemonic that it can afford internal conflicts. Although they are still significant

⁵⁷ I formally developed this inversion of the classical theory of distribution, making profits the independent variable and wages the dependent one, varying according to the increase of productivity in another book (1986).

today, these struggles were more important in the past, when the balance of forces between the dominant and dominated classes greatly favored the former.

According to the Marxist tradition it is impossible to understand society and history if we do not use social classes as basic tools. Yet, conservative sociology always underestimated the role of classes in history. In denying class struggle as a basic motor of history, functionalist sociology must, as a consequence, to play down the role of social classes. Marxist and neo-Marxist class theory resisted quite well this type of attack up to the 1970s. Following, however, the general crisis of the left and of Marxism, "the past decade witnessed, as it were, the erosion of class theory and of other fundamentals of traditional Marxism" (Uwe Becker, 1989: 128).

A basic reason for this, besides the conservative wave of the last ten or twenty years, lies in the emergence of the new class: the technobureaucracy. As we shall see in this part of the book, the social structure of modern technobureaucratic capitalism became much more gradual, much less dichotomic, than the existing one in classical capitalism - the capitalism that Marx described. Social classes remain the basic actors in history. Capitalists and workers continue to act according to their own logic: the logic of profit and accumulation for capitalists, the logic of wage demands for workers. Class struggle and class consciousness continue to be essential factors in history, but the existence of a new middle class between capitalists and workers demand a different type of analysis.

Erik Olin Wright (1989) observes that Marxist class analysis may adopt two strategies. One is to keep the concept of class structure as simple and polarized as possible. The other, that he adopts, is to increase the complexity of the class structural concept in order to, realistically, include the middle class. This strategy, that is also adopted in this book, allows a more comprehensive picture of contemporary technobureaucratic capitalism, but it obviously deviates from what could be called "orthodox Marxism".

2. Class and class consciousness

As class theory must be the object of a reappraisal in the context of technobureaucratic capitalism, the role of class consciousness must also be revised. The process of class struggle involves not only concrete measures aimed at organization and control of the state, but also the definition of class interests in ideological terms. Conservative or revolutionary ideologies are politically oriented systems of values and beliefs. They are expression of class

interests, and their proponents seek to them endow with universal validity. Within this framework, class consciousness is an important, but not necessary, element in the definition of class. All classes possess their respective ideology, but not necessarily class consciousness. The technobureaucratic class is endowed of class consciousness, but this only happens because it has as political project to control the large corporations and the state.

Class consciousness would be a necessary element in the definition of class if we were to adopt Lukcs' conception, in which class consciousness is not the sum or common denominator of what its members think, but rather an "objective possibility". According to Lukcs, class consciousness is constituted of

... the thoughts and feelings which men would have in a particular situation if they were able to assess both it and the interests arising from it in their impact on immediate action and on the whole structure of society. Therefore class consciousness exists potentially in everyone - given some specific historic conditions this potential consciousness "could be conscious." (1922: 51-52 and 59).

Although this concept has its merits to the extent that it emphasizes the dialectical relationship between relations of production and class consciousness, we are defining social class here as a concrete historical process originating from that dialectical relationship. The dominant class has always had class consciousness and exercised its domain not only through its control of the means of production and the repressive apparatus, but also through ideological hegemony, a direct result of its class consciousness. In order to maintain its dominant position, the dominant class transmits its ideology to the dominated, using the ideological apparatus controlled by civil society⁵⁸. In Marx and Engels' words:

The ideas for the ruling class are in every epoch the ruling ideas... The class which has the means of material production at its disposal, has control at the same time over the means of mental production... (1846: 64).

In the pre-capitalist period, religion was the main ideological apparatus. In capitalism, educational institutions, political parties, the press, television and radio have performed this function. If the dominant class can achieve full ideological hegemony, it can annul or neutralize the class consciousness of the dominated class. For this reason, the attainment of class consciousness by the dominated is a recent historical phenomenon, and only a partial one. It appears with capitalism, taking shape when workers organized into unions and political parties, and acquiring stability through the spread of socialist and Marxist ideas. Yet this attainment of class consciousness is still only partial because the dominant class constantly seeks to impose its own ideology, securing new

⁵⁸ For the concept of civil society, see Chapter 19.

means to promote its way of thinking. Another factor that limits the class consciousness of the dominated classes is the success achieved by the dominant classes of the central capitalist countries in increasing productivity since the middle of the last century. Through the pressure exerted by unions and left wing political parties, in the developed capitalist countries, these increases in productivity have been passed on to workers in the form of higher wages. It would be difficult to maintain the capitalist system if the workers' class consciousness was not only partial.

It is important that revolutionary consciousness not be confused with a readiness for insurrection. The working class has shown little inclination towards insurgency. In Lukcs' terms, class consciousness is inherently revolutionary because it is the potential consciousness of a dominated class. If workers were to fully assume class consciousness, based on the roles they play in the relations of production, they would probably take a revolutionary position. However, besides the ideological hegemony of the bourgeoisie and partly due to it, they doubt their own capacity to manage the economy and the state. When workers vote for conservative parties, as they often do, they are manifesting this doubt or this conviction of their own inability.

Thus class consciousness is not an essential element in defining a class if the class to be defined is the dominated class, a class without a political project. Yet it is clear that the dominated class participates in the relations of production as an exploited class. It is a real class, it possess its own collective interests and ideology in opposition to the dominant class. But it cannot be considered an effective actor in history. A class only becomes an effective historical force once it attains some degree of class consciousness, organizes itself politically and fights for state power. For Therborn (1980: 60), the acceptance or the resistance to class exploitation is not essential to the definition of the ideology of the dominated classes. He explains his position with the concept of "class alter-ideologies"⁵⁹. Actually a purely dominated class is endowed with an ideology based on the ideas of authority and obedience. Class struggle will take place, but will tend to be minor, since it will not be based on class consciousness.

In pre-capitalist social formations the dominant class was the only effective historical factor. Fractions of the dominant class disputed state control, but only very rarely did the exploited class take part in these struggles. The latter may have revolted or escaped, or even gained more political space. Dominant class power, however, only suffers a threat with the advent of capitalism and the working class, precisely because the working class is the first exploited class

⁵⁹ Therborn says that alter-ideologies "constitute the subject of class struggle and class collaboration..." (1980: 61)

that has ever become organized and developed a consciousness of its own interests.⁶⁰ The economic success of capitalism, however, did not permit that this threat did not turn into revolution. On the contrary, revolution turned increasingly into an unrealistic alternative in contemporary capitalism.

3. Class and social strata

A fundamental question in class theory is "the middle class question". According to the Marxist class theory there are no middle classes, but rather middle strata. Marx and Engels certainly used the expression "middle class", but this was a way to designate the bourgeoisie, that was in the middle of the social structure, between the working class and the land-owning aristocracy.⁶¹ In this way, Marx and Engels were basically coherent with their own conception of social class, defined by the role large social groups play in the relations of production.

The concepts of social layers or social strata have been utilized as synonyms for class by functionalist sociologists. They consider social class to be a question of social stratification, which, according to Talcot Parsons, is a hierarchical ranking of the individuals of a particular social system. It is the way that individuals occupy positions in the social structure in terms of status. In Parsons words:

"social stratification is regarded here as the differential ranking of the human individuals who compose a given social system their treatment as superior and inferior relative to one another in certain socially important respects" (1940: 841).

⁶⁰ According to Lucks, "... for pre-capitalist epochs and for the behavior of many strata within capitalism whose economic roots lie in pre-capitalism, class consciousness is unable to achieve complete clarity and to influence the course of history consciously". (1922: 55)

⁶¹ Engels, for example, states: "Soon came the time where it appeared as an unavoidable need a capitalist middle class (a bourgeoisie, according to the French), that, fighting against the aristocracy of landowners, destroyed its political power and became, in its turn, economically and politically dominant." (1881:13). Just as Engels uses the term "capitalist middle class" as a synonym for bourgeoisie, so we can speak of a "technobureaucratic middle class" as synonymous with technobureaucracy. What makes no sense is to speak simply of the middle class, since then we confuse social classes with social strata.

If we understand social classes as part of a system of stratification, the concept of class is no longer derived from relations of production. Instead, it becomes a mere expedient for the hierarchical division of society into strata in order to better describe it. It is also possible, more or less arbitrarily, to increase the number of strata, as Lloyd Warner did, so that we have an upper upper class, a lower upper class, an upper middle class, a lower middle class, an upper lower class and lower lower class (1941).⁶²

Nonetheless it is important to point out that the concept of middle class is not merely a functionalist notion. Social scientists from various theoretical perspectives, including Marxists, have utilized it. It prevails because it forms part of our everyday language, and because it is frequently used to describe reasonably well-defined sectors of society.

Strictly speaking, it is more correct to speak of upper, lower and middle strata, rather than upper, lower and middle classes. The former constitutes a criterion for social classification which is distinct from that of class, and are valid and useful as a tool for sociological analysis.

We could define a stratum as a portion of society sectioned off horizontally in accordance with a series of criteria which allow us to establish a hierarchical order. These more or less arbitrary criteria refer to individuals economic power and social prestige. The functionalists who examine this in depth endeavor to show the correlations which are present and those lacking between social prestige and wealth, occupation, education, race and religion. It is not appropriate to discuss these issues here. Nor is this the moment to comment on the obviously ideological nature of this kind of analysis which omits or gives only secondary importance to the question of relations of production.

Suffice it to say that first of all, the concept of social stratum is a useful one for social analysis as long as we do not confuse it with class, or use it to replace class. Second, we can use the social strata concept within a social class. For example there is an upper bourgeoisie and a middle bourgeoisie.⁶³ In the

⁶² For the methodology used in making this type of analysis, see Lloyd Warner, Marcha Meeker and Kenneth Eels (1949). I used these concepts myself in my earliest academic work, to some extent influenced by functionalism. See "The Rise of the Middle Class and Middle Management in Brazil" (1962).

⁶³ Note that if we define the bourgeoisie as comprised of small owners who employ wage workers while performing manual labor themselves, it constitutes another class, specific to the relation of production which originated in small

same way we can distinguish an upper, middle and lower technobureaucracy, as well as a hierarchical division of workers comprised of skilled, semi-skilled and unskilled workers.

Figure 13.1 shows how we can combine the concepts of social class and social strata within a given social structure. This example refers to pure or classical capitalism, in which there are only two classes: the bourgeoisie and the proletariat.⁶⁴ The upper stratum consists exclusively of the bourgeoisie, and the lower is comprised solely of workers. The middle stratum, though principally made up of the bourgeoisie, also includes a number of specialized or skilled workers.

Figure 13.1 Strata and Classes in Classical Capitalism

If this is the case, it is important to ask if the primary determinant of social and political action is identification as social class or as social strata? In other words, we need to know to what extent the fact that a worker belong to a middle stratum has sufficient weight to result in his adopting bourgeois or

scale mercantile production. The petty bourgeoisie is always included in the middle stratum.

⁶⁴ It is clear that in this case, as in fact in any case where we use the mode of production concept, we are over-simplifying. We are generalizing and reducing a historical reality to an abstraction. Even in the middle of the last century, when classical capitalism reached its purest form, there were more than two classes. The aristocracy, peasants and small bourgeoisie continued to exist as manifestations of the previous mode of production.

technobureaucratic ideology and patterns of consumption. The answer to this question is probably positive, though the worker is still strongly influenced by his class condition. Hence we have a very clear indication that social strata, though expressly distinct from class, also serves as an important tool for political and sociological analysis.

4. Conditions for a new class

If we ask ourselves which are the conditions for the emergence of a new class the important is to define the corresponding relations of production. It may or may not have class consciousness, but it is essential that it is not confused with social strata. In principle we only have a dominant and a dominated class. The "middle class" either will correspond to the less rich fractions of the dominant class and the richer fractions of the dominated one, or they will represent the emergence new relations of production and of corresponding social relations. The technobureaucratic middle class that emerges in technobureaucratic capitalism falls in the second category. Small and medium sized capitalist on one hand and skilled workers in the other fall in the first category.

This notion of social class has little in common with the functionalist theories of social stratification. Nor is it the same as the Weberian theories of social class that emphasize purchasing power or market position. It also differs significantly from those Weberian theories developed by Dahrendorf (1957) and Lenski (1966) which focus on power rather than on relations of production to delineate social class. While these theories have a certain utility, especially from a functionalist perspective in terms of a descriptive and static view of society, they obviously do not meet our needs as a theory that helps to explain the historical process of social and political change.

Rather we are interested in a theory of social class which provides us with tools for the analysis of contemporary capitalism, where the technobureaucratic middle class plays an increasingly decisive role. Social classes are social groups that are defined by the roles they play, dominant or dominated, within society's basic relations of production. Through the inherent process of class struggle, they became the prime players of history. On one hand, this can be explained by the development of the productive forces which establishes new material conditions for the relations of production, and on the other, as a function of class struggles which originates in each class' insertion in the relations of production and their resulting class consciousness.

Therefore, in order for a new class to establish itself, it is essential that this class take part in new emerging relations of production, that these new relations of production be basic to the definition of a new mode of production, and that, as a result, the new social group be of sufficient size or critical mass to formulate a historical project designed to eventually make it the new dominant class.