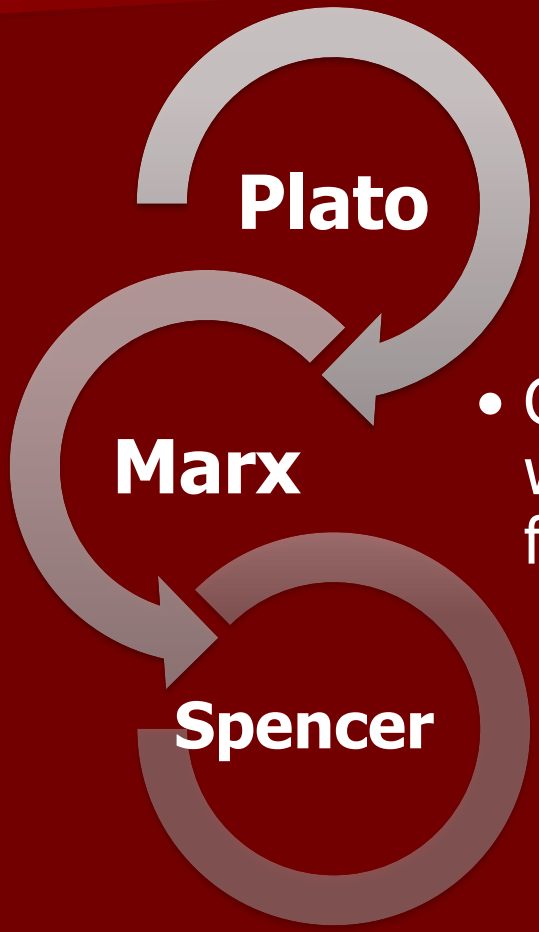
US CLASS SYSTEM

Macionis, Chapter 11

Learning Objectives

- Distribution of income and wealth
- Social class positions in U.S. society.
- how social class position affects health, values, politics, and family life
- patterns and explanations of poverty
- increasing economic inequality in the United States.

Who is Right?



- Every culture considers some type of inequality just.
- Capitalist society keep wealth and power for few.
- "Survival of the fittest" explanation

What is Social Stratification

A system by which a society ranks categories of people in a hierarchy.

1. a trait of society—not of individual
2. Carries over for generations.
3. It is universal—but variable
4. Involves beliefs

CASTE SYSTEM

Caste system—based on ascription or birth

- Birth determines a person's future
- No social mobility
- Endogamy--(marry in same rank)
- Segregation (within same ranks)
- Rests on beliefs (e.g. Hinduism, Apartheid)

The Class System

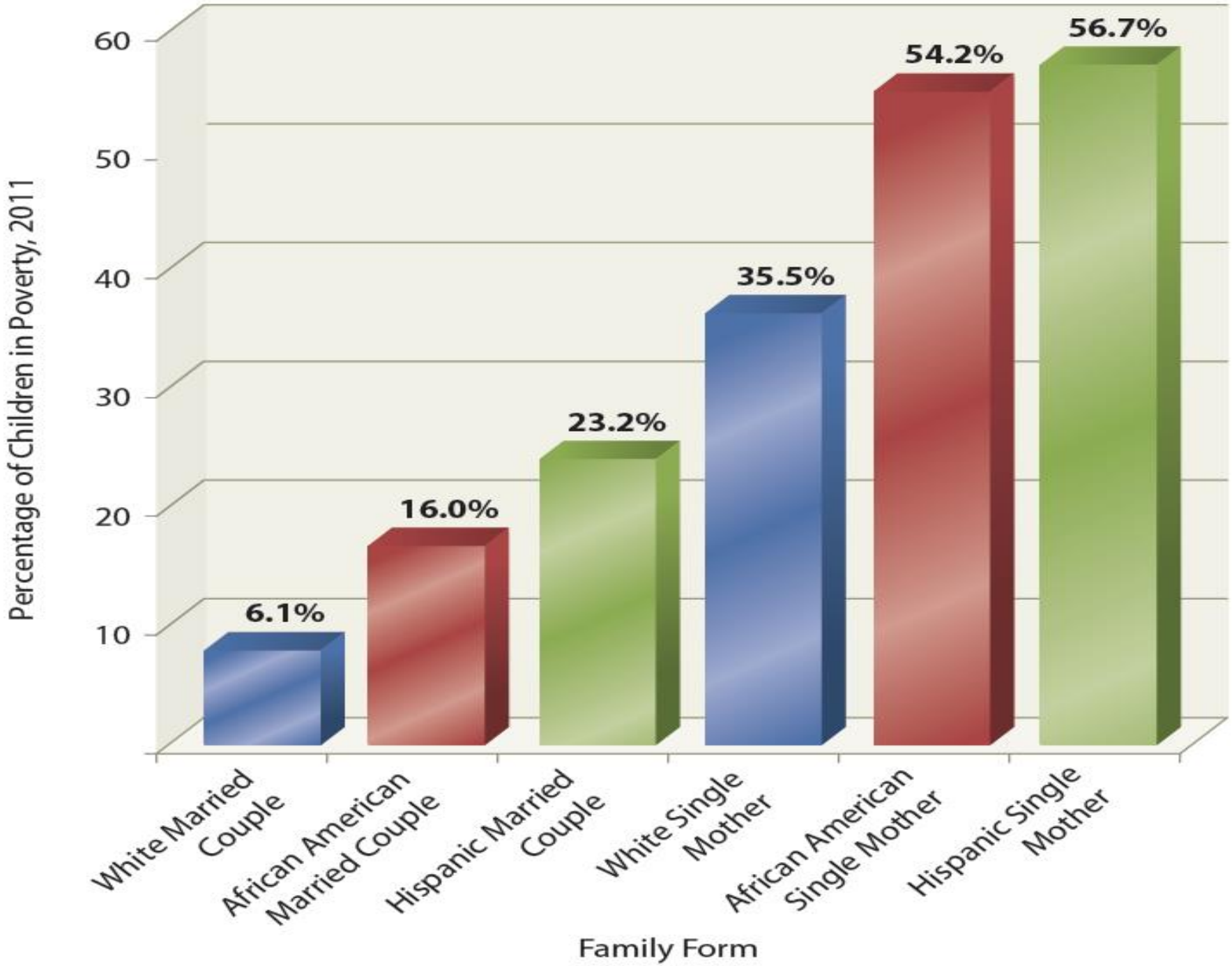
Based on birth & individual achievement

- More open than caste systems'
- Social mobility
- Schooling & skills
- Work involves personal choice
- Free choice in marriage partner

Meritocracy

Based on individual achievement

- Knowledge, abilities, & effort
- Equality of opportunity
- A pure merit system will destroy families
- Class societies use family to keep order & social unity


Percentage of Children in Poverty, 2011
60
50
40
30
20
10
6.1%
16.0%
23.2%
35.5%
54.2%
56.7%
White Married Couple
African American Married Couple
Hispanic Married Couple
White Single Mother
African American Single Mother
Hispanic Single Mother
Family Form

Dimensions of Inequality in the US

1. **INCOME**—wages, salary from work & earnings from investments
2. **WEALTH**—total value of money & assets, minus debts.
3. **POWER**—carry out your will despite resistance
4. **OCCUPATIONAL PRESTIGE**—job-related respect
5. **SCHOOLING**—prepares individuals for roles in society
6. **Ancestry, Race, Gender**—Inheritance, caste-like reproductions

Dimensions of Inequality

- Wealth is distributed more unequally than income.
- The richest 20% of U.S. families own roughly 89% of the country's wealth.
- By 2010, average family wealth had fallen to a level not seen since the mid-1990s.
- The lowest-ranking 40% of U.S. families have little or no wealth at all.

Dimensions of Inequality

Schooling

- Is the key to better career opportunities
- Affects both occupation and income

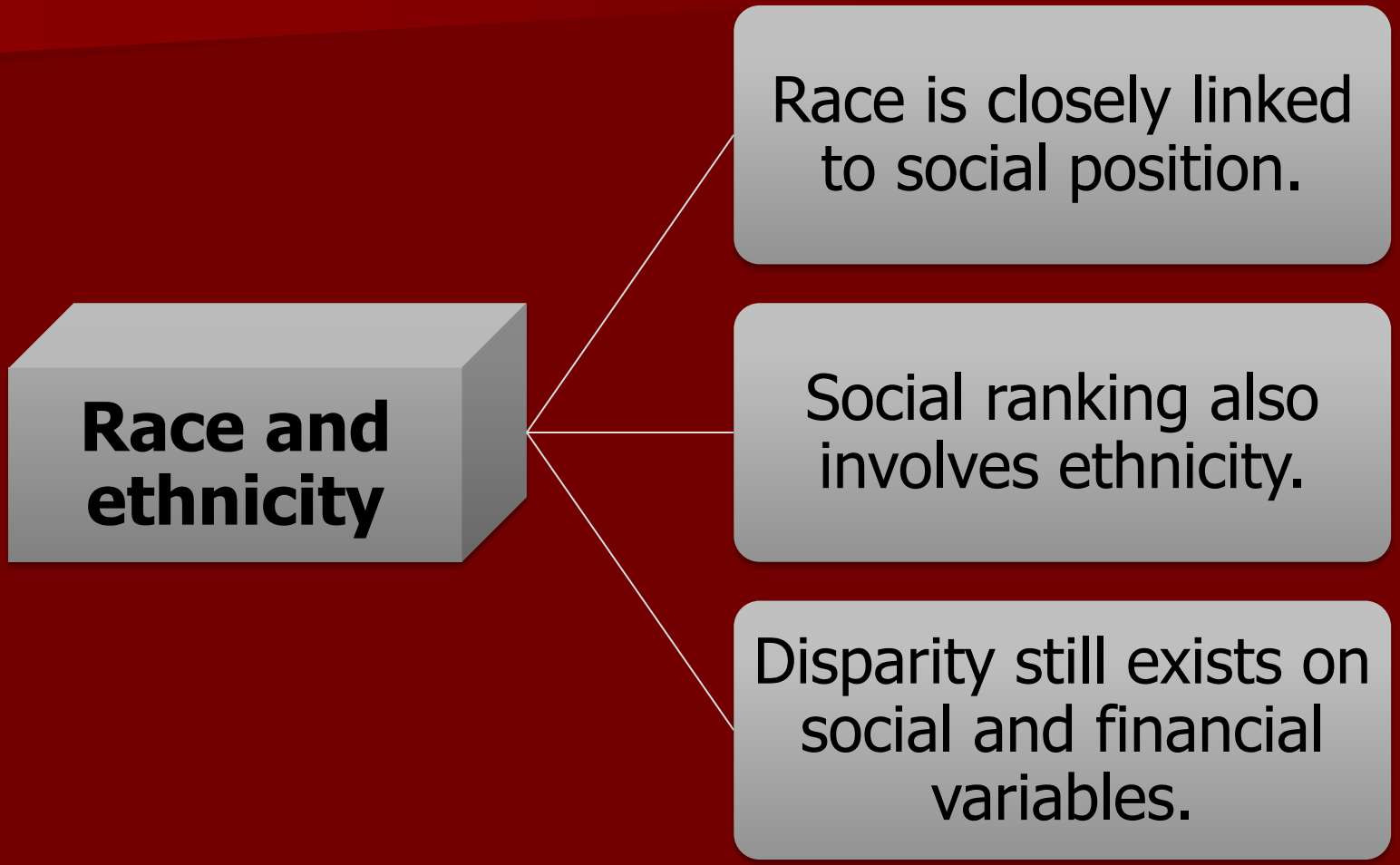
US Stratification: Merit & Caste

Born to privilege or poverty affects schooling, occupation, and income.

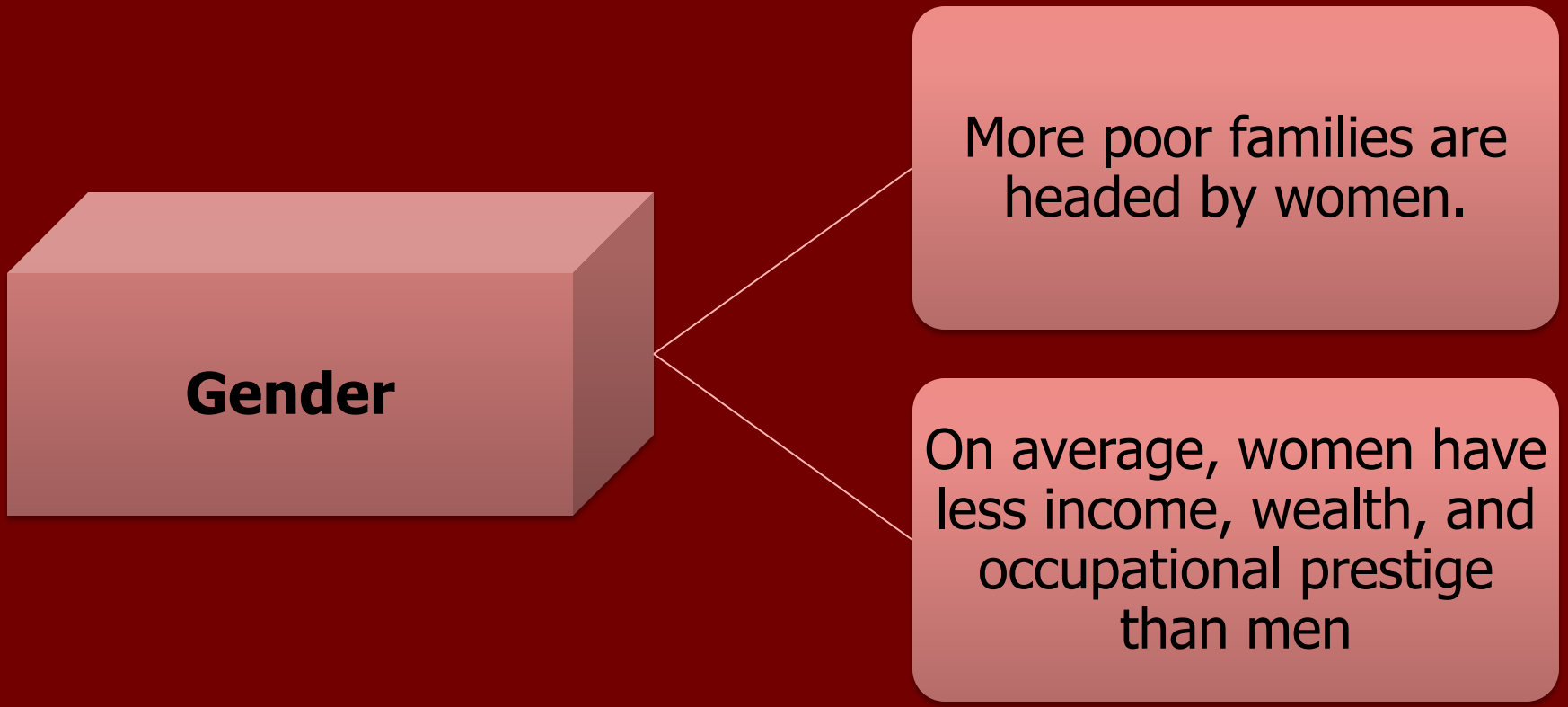
Much wealth of richest U.S. families is inherited.

Inherited poverty shapes the future of tens of millions of people.

US Stratification: Merit & Caste



US Stratification: Merit & Caste



US Social Classes

- 1. Upper class
- 2. Middle Class
- 3. Working Class
- 4. Lower Class

Share of Population	Minimum Annual Income
0.1%	$1,634,000
1	$370,000
5	$205,000
10	$170,000
20	$116,000
30	$94,000
40	$75,000
50	$61,000
60	$48,500
70	$38,000
80	$27,000
90	$18,000
100	>0

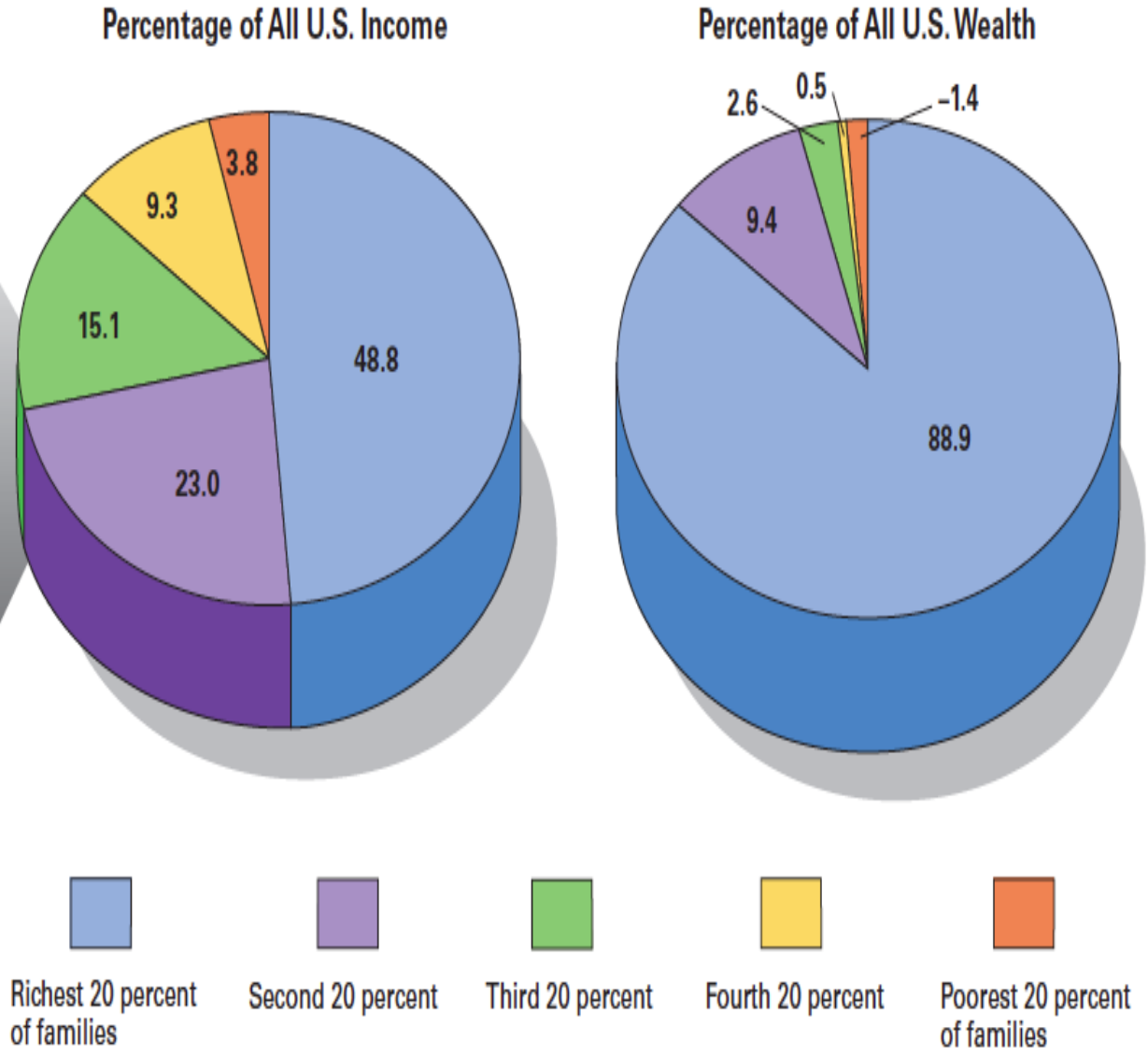


FIGURE 11–1 Distribution of Income and Wealth in the United States, 2011

A. UPPER CLASS

- 5% of US population
- Earn at least $205,000 per yr.
- Inherited wealth
- Corporate Executives
- "Capitalists"—owners of production
- Upper Class Divided into 2 categories

1. UPPER-UPPER

- Described as “society”
- Less than 1% of society
- By birth
- Inherited wealth/old money
- live in exclusive neighborhoods

2. LOWER UPPERS (4%)

- Working Rich/New Rich
- Exemplify American Dream
- Talented/High Achievers
- Status Symbols—conspicuous consumption

B. MIDDLE CLASS

- 40-45% of US Population
- TV mostly shows middle class people
- Target of Advertising
- Has more ethnic diversity than upper class
- Middle Class—has 2 Groups

UPPER MIDDLES

- $116,000-$205,000 per yr
- Live comfortably and have investments
- Two-thirds college graduates
- Many have post-graduate degrees
- Professionals

AVERAGE MIDDLE

- $48,000-$116,000 a year
- Middle managers
- Highly skilled blue collar workers
- Small wealth
- 40% college educated
- Some high school graduates

C. THE WORKING CLASS

- 33% of US Population
- Lower Middle Class
- $27,000-$48,500
- Vulnerable to financial problems
- Core of industrial proletariat
- Little or no wealth
- Live in low-cost neighborhoods

D. THE LOWER CLASS

- 20% of US population
- 46.3 million classified as poor (2011)

- Society segregates the lower class—especially racial & ethnic groups

- Inner Cities & poor rural communities
- Live in least desirable neighborhoods

Demographics & Poverty

- In 2011, 48% of US poor were young people age 24 or younger.
- About 7.8 percent (3.6 million) of the poor are elderly.

- Two-thirds of all poor are white.
- In 2011, 27.6% of all African Americans and 25.3% of Hispanics were poor.

Explaining Poverty

Gender

- 59% of poor are women.
- Women who head households are at high risk of poverty.
- Feminization of poverty is result of rapidly increasing number of households at all class levels headed by single women.

Explaining Poverty

Blame society

There is little opportunity for work.

- Society is mostly responsible for poverty.
- Loss of jobs in the inner cities is the main cause of poverty.

Poverty in the US

Relative poverty—lack of resources in relation to those who have more.

Absolute poverty—lack of resources that is life-threatening

- 46 million (15% of US)
- Poverty line--$23,021 for a family of 4

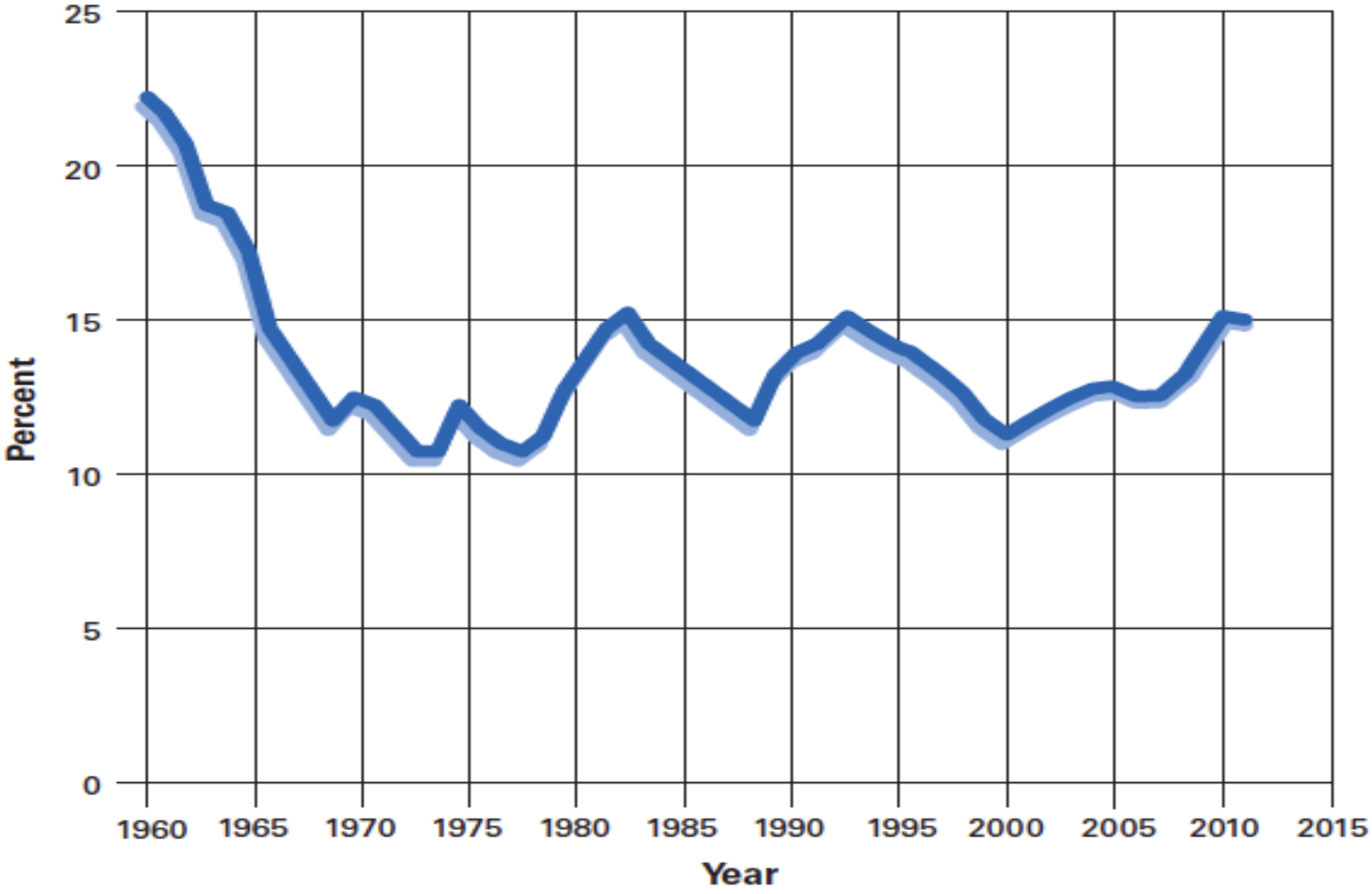


FIGURE 11–4 The Poverty Rate in the United States, 1960–2011

The Working Poor

In 2011, 15% of heads of poor families worked at least 50 weeks a year.

Individual ability and personal effort play a part in shaping social position.

Society is the primary cause of poverty.

A rising share of available jobs offers only low wages.

Homelessness

- **Causes**
  - Poverty
  - Substance abuse and mental illness
  - Long-term
  - Structural changes in the U.S. economy
  - Cutbacks in social service budgets
  - Recent economic downturn

The American Dream

Welfare Dilemma

Conservatives

AFDC weakened families.

Marriage is the key to poverty reduction.

Welfare encourages dependency on government handouts.

Welfare Dilemma

Liberals	Most welfare actually goes to richer people.
	Most poor families using public assistance are truly needy.
	Public assistance is a Band-Aid approach to serious social problems.

Question

- Is society responsible for poverty or are individuals themselves to blame?