**Stratification in Traditional and Modern Societies**

* **Social Inequality**: A disparity in income, wealth, power, prestige, and other resources
  + Upper, Middle, and Lower Class
* **Social Stratification**: The systematic ranking of different groups of people in a hierarchy of inequality
* **Caste Societies**: A system in which social positions are closed, so that all individuals remain at the social level of their birth throughout life
  + India (Based on religion) had a caste system in which an individual will be reincarnated into a position based on how they lived in their past life.
    - Brahmin (Priests, Academics) are super upper class
    - Kshatriya (Warriors, Kings) are upper class
    - Vaishya (Merchants, Landowners) are middle class
    - Sudra (Commoners, Peasants, Servants) are lower class
    - Untouchables (Outcasts, Street Sweepers, Latrine Cleaners) are the lowest class
* **Class Societies**: A system in which social mobility allows an individual to change his or her socioeconomic position

**Sociological Building Blocks of Social Class**

* **Social Categories**: Categories of people sharing common characteristics without necessarily interacting or identifying with each other
* **Achieved Status**: Linked to acquisition of socially valued credentials or skills
* **Ascribed Status**: Linked to characteristics that cannot be altered (race and gender)
* Modern capitalist society – teardrop shaped
  + Capitalist Class – Top 1% make about $2M a year
  + Upper middle class – 14% make about $150k a year
  + Middle class – 30% make about $70k a year
  + Working class – 30% make about $40k a year
  + Working poor – 13% make about $25k a year
  + Underclass – Bottom 13% make about $15k a year
* **Class**: Person’s economic position in society associated with differences in income, wealth, and occupation
* **Life Chances**: Opportunities and obstacles encountered in education, social life work and other areas critical to social mobility—influenced by class
* **Social Mobility**: Upward or downward status movement of individuals or groups over time
  + Does not exist in a caste system
* **Income**: Amount of money a person or household earns in a given period of time
  + Job salary, investments, social security, disability
  + Most US household incomes have stagnated
  + Average CEO pay is around $13.8M per year
  + Average median worker pay in those companies is about $77.8k
  + Median US household income decreasing:
    - 2000: $63.5k
    - 2011: $55.6k
    - Decline of more than 12%
* **Wealth (Net Worth)**: Value of everything a person owns, minus value of everything owed
  + Home equity, vehicles, stocks, bonds, cash, and other forms of investment assets
  + Built up over a lifetime and passed down over generations to create new opportunities
  + Spent on high-quality education, business ventures, access to travel and leisure, and financial security creation of new wealth
* **Net Financial Assets**: measure of wealth that excludes illiquid personal assets such as home and car.
  + Stocks, bonds, cash, and other forms of investment assets
* **Occupation**: A person’s main occupation or paid employment
  + Main source of income
  + Blue-collar: Manual labor
  + White-collar: Analytic skills or formal education
  + Pink-collar: Semi-skilled, low-paid service positions for primarily women
  + Gold-collar: Young professionals, high salaries, and occupational positions
* **Status**: Prestige associated with social position
  + High prestige: Doctors, scientists, nurses, firefighters, EMTs, and military officers
  + Low prestige: Politicians, stockbrokers, accountants, and real estate agents

**Political Voice**

* **Political Power**: Ability to exercise influence on political institutions and/or actors to realize personal or group interests
  + Mobilization of resources
  + Successful achievement of political goals
* C. Wright Mills’s **Power Elite**
  + Executive branch, military, and corporate elites
  + Share common background and worldview
  + Consensus & control major decisions in the US

**Class and Inequality in the United States: Dimensions and Trends**

* **Income Inequality**
  + US Census ranks households by annual income and then categorizes them into quintiles (fifths). It calculates how much of the aggregate or total income, generated in the United States each quintile gets (aggregate income)
  + The bottom quintile takes in just over 3% of the aggregate income, while those in the top quintile get more than half
  + The top 20% of earners bring in as much as all in the bottom 80% combined
  + The top 5% take in more than 22% of the total income, more than the bottom 40% combined
* **Wealth Inequality**: Distribution of wealth is even more unequal than the income gap and is also growing
  + Over the past three decades, the share of household wealth owned by the top 0.1% has increased from 7% to 22%
  + For the bottom 90% of families, a combination of rising debt, the collapse of the value of their assets during the financial crisis, and stagnant real wages have led to the erosion of wealth
  + Minority groups hold far fewer net financial assets than Whites. The median household wealth of Whites is fully 20 times that of Black households and 18 times that of Hispanic households.
* Other gaps: Inequalities in health care, health, and access to consumer goods
  + Majority of new jobs in service sector
    - Low wages, few benefits, and poor hours
  + 48.6 million (15%) of US population uninsured prior to PPACA
    - 8M sighed up, 57% previously unenrolled
  + Poor at higher risk of heart disease, diabetes, cancer, and obesity
  + Food deserts: Sites benefit of places selling competitively priced, healthy, and fresh food

**Why has Inequality Grown?**

* Manufacturing jobs replaced by service sector work, but with lower pay scales, fewer benefits, less likely to be unionized
* Devalued service jobs favor women
* Creation of “good jobs” almost exclusively available only to those with higher education
* Narrative of “disappearing middle class”

**Poverty in the US**

* Harrington’s *The Other America: Poverty in the United States*
* War on Poverty
* **Official Poverty Line**: Dollar amount set by government as minimum amount needed to meet basic needs for a family
* Official poverty numbers and limitations

**The Problem of Neighborhood Poverty**

* Household versus neighborhood poverty
* **Poor Neighborhoods**: More negative social, economic, and educational effects than in a mixed-income area, food insecurity for children
* Growing proportion of Americans reside in “poverty areas”
  + Female-headed households more likely to live in poverty areas
  + Rise of suburbs

**Why Do Stratification and Poverty Persist in Class Societies?**

* The functionalist explanation
  + Kingsley Davis and Wilbert Moore: Most functionality important positions require more skill, talent, and training than others and suffer from scarcity of personnel
  + **Meritocracy**: Society where personal success is based on talent and individual effort
  + Critiques of Davis and Moore
    - Actual difference in rewards between positions is not necessarily a measure of their relative worth to society
    - May limit discovery of talent
  + Herbert Gans
    - Laborers do society’s “dirty work”
    - Creates jobs for people who help the poor
    - Market for goods/services otherwise unused
    - Serve as scapegoats for society’s problems
    - Those who are better off in society are not motivated to comprehensively fight poverty because its existence is demonstrably functional for them
* The social conflict explanation
  + Karl Marx: Conflict exists between workers, who must sell their labor to survive, and capitalists, who own the means of production
  + Those who have power use stratification to create economic, political, or social conditions that favor them and their children, even if there are detrimental to the lower classes or exploitative