Foundations of Class Analysis: A Marxist Perspective

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If “class” is the answer, what is the question? The *word* class is deployed in a wide range of explanatory contexts in sociology and, of course, depending upon that explanatory context, different *concepts* of class may be needed. Three broad kinds questions are particularly common for which the word “class” figures centrally in the answer: First, the word “class” sometimes figures in the answer questions such as: “How do people locate themselves within a social structure of inequality?” Class is one of the possible answers to the question. In this case the concept would be defined something like: “a social category sharing a common set of subjectively-salient attributes within a system of stratification”. Second, class is offered as part of the answer to the question: “What *explains* inequalities in economically-defined life chances and standards of living?” Here, typically, the concept of class would not be defined by subjectively-salient attributes of a social location, but rather by the relationship of people to income-generating resources or assets of various sorts. Third, class plays a central role in answering the question, “What sorts of struggles have the potential to transform capitalist economic oppressions in an emancipatory direction?” This is the distinctively Marxist question. Marxists may share with Weberians the second question concerning the explanation of economic inequalities, and as we shall see, the Marxist concept of class shares much with the Weberian concept in terms of its role in explaining such inequality. And Marxists may also use the concept of class in the account of people’s subjective understandings of their location in systems of stratification, as in the first question. But it is the third question which imparts to the Marxist concept of class a distinctive explanatory and normative agenda. It suggests a concept of class which is not simply defined in terms of relations to economic resources, but which elaborates these relations in terms of mechanisms of economic oppression. The problem of specifying the theoretical foundations of the

concept of class, therefore, crucially depends upon what explanatory work the concept is called upon to do.

In these terms, the concept of class has greater explanatory ambitions within the Marxist tradition than in any other tradition of social theory and this, in turn, places greater burdens on its theoretical foundations. In its most ambitious form, classical historical materialism argued that class -- or very closely linked concepts like "mode of production" or "the economic base" -- constituted the primary explanation of the epochal trajectory of social change as well as social conflicts located within concrete time and place, of the macro-level institutional form of the state along with the micro-level subjective beliefs of individuals. Expressions like "class struggle is the motor of history" and "the executive of the modern state is but a committee of the bourgeoisie" captured this ambitious claim of explanatory primacy for the concept of class.

Most Marxist scholars today have pulled back significantly from the grandiose explanatory claims of historical materialism (if not necessarily from its explanatory aspirations). Few today defend stark versions of "class primacy." Nevertheless, it remains the case that class retains a distinctive centrality within the Marxist tradition and is called upon to do much more arduous explanatory work than in other theoretical traditions. Indeed, a good argument can be made that this, along with a specific orientation to radically egalitarian normative principles, is a large part of what defines the remaining distinctiveness and vitality of the Marxist tradition as a body of thought, particularly within sociology. It is for this reason that I have argued that "Marxism as class analysis" defines the core agenda of Marxist sociology (see Wright, Levine and Sober,1993: chapter 8).

The task of this paper is to lay out the central analytical foundations of the concept of class in a way that is broadly consistent with the Marxist tradition. This is a tricky business for within Marxism there is no consensus on any of the core concepts of class analysis. What defines the tradition is more a loose commitment to the importance of class analysis for understanding the conditions for challenging capitalist oppressions and the language within which debates are waged -- what Alvin Gouldner aptly called a "speech community" -- than a precise set of definitions and propositions. Any claims about the analytical foundations of Marxist class analysis which I make, therefore, will reflect my specific stance within that tradition rather than an authoritative account of "Marxism" in general or of the work of Karl Marx in particular.

I will proceed in the following manner. First, I will lay out a series of conceptual elements which underlie the kind of Marxist class analysis which I have pursued. Many of these elements apply, perhaps with some rhetorical modification, to Weberian-inspired class analysis as well as Marxist, although as a package they reflect the background assumptions characteristic of the Marxist agenda. Some of the points I make here may be quite obvious, but nevertheless I think it will be useful to lay these out step by step. Second, I will specify what I feel is the core common explanatory claim of class analysis in both the Marxist and Weberian traditions. Third, I will identify what I believe to be the distinctive hallmark of the Marxist concept, which differentiates from its Weberian cousins and which anchors the broader theoretical claims and agenda of Marxist class analysis. This will involve, above all, elaborating the specific causal mechanisms through which Marxists claim that class relations generate social effects. Finally, I will briefly lay out what I see as the advantages of the Marxian-inspired form of class analysis.

I. Conceptual Elements

Five conceptual elements need to be clarified in order to give specificity to the Marxist approach to class analysis: 1. the concept of social relations of production; 2. the idea of class as a specific form of such relations; 3. the problem of the forms of variation of class relations; 4. the meaning of a “location” within class relations; 5. the distinction between micro- and macro-levels of class analysis.

1. Relations of production

Any system of production requires the deployment of a range of assets or resources or factors of production: tools, machines, land, raw materials, labor power, skills, information, and so forth. This deployment can be described in technical terms as a production function -- so many inputs of different kinds are combined in a specific process to produce an output of a specific kind. The deployment can also be described in social relational terms: the individual actors that participate in production have different kinds of rights and powers over the use of the inputs and over the results of their use. Rights and powers over resources, of course, are attributes of social relations, not descriptions of the relationship of people to things as such: to have rights and powers with respect to land defines one’s social relationship to other people with respect to the use of the land and the appropriation of the fruits of using the land productively. The sum total of these rights and powers constitute the "social relations of production".

2. Class relations as a form of relations of production

When the rights and powers of people over productive resources are unequally distributed -- when some people have greater rights/powers with respect to specific kinds of productive resources than do others -- these relations can be described as class relations. The classic contrast in capitalist societies is between owners of means of production and owners of labor power, since "owning" is a description of rights and powers with respect to a resource deployed in production.

Let us be quite precise here: The rights and powers in question are not defined with respect to the ownership or control of things in general, but only of resources or assets insofar as they are deployed in production. A capitalist is not someone who owns machines, but someone who owns machines, deploys those machines in a production process, hires owners of labor power to use them and appropriates the profits from the use of those machines. A collector of machines is not, by virtue owning those machines, a capitalist. To count as a class relation it is therefore not sufficient that there be unequal rights and powers over the sheer physical use of a resource. There must also be unequal rights and powers over the appropriation of the results of that use. In general this implies appropriating income generated by the deployment of the resource in question.

3. Variations in class relations

Different kinds of class relations are defined by the kinds of rights and powers that are embodied in the relations of production. For example, in some systems of production people are allowed to own the labor power of other people. When the rights accompanying such ownership are absolute, the class relation is called "slavery". When the rights and powers over labor power

are jointly owned by the laborer and someone else, the class relation is called "feudalism."[1] In capitalist societies, in contrast, such absolute or shared ownership of other people is prohibited.

Because of the specific role that class analysis played in historical materialism, Marxists have traditionally limited the range of variation of types of class relations to a very few abstract forms: slavery, feudalism, and capitalism being the main types. Once the restrictions of historical materialism are relaxed, the basic concept of class relations allows for a much richer array of variations. The rights and powers that constitute "ownership" can be decomposed, with different rights and powers going to different actors. Just as feudalism is characterized by a decomposition of rights and powers over labor power -- some belonging to feudal lords, others to serfs -- so too can there be a decomposition of the rights and powers over means of production. Government restrictions on workplace practices, union representation on boards of directors, co-determination schemes, employee stock-options, delegations of power to managerial hierarchies, etc. all constitute various ways in which the property rights and powers embodied in the idea of "owning the means of production" are decomposed and redistributed. Such redistribution of rights and powers constitutes a form of variation in class relations. To be sure, such systems of redistributed rights and powers are complex and move class relations away from the simple, abstract form of perfectly polarized relations. One of the objectives of class analysis is to understand the consequences of these forms of variation of class relations. Such complexity, however, is still

1. This may not seem to be the standard definition of feudalism as a class structure. Typically feudalism is defined as a class system within which extra-economic coercion is used to force serfs to perform labor for lords, either in the form of direct labor dues or in the form of rents. Here I am treating “direct economic coercion” as an expression of a property right of the lord in the labor power of the serf. This is reflected in the fact that the serf is not free to leave the land of the lord. This is equivalent to the claim that the flight of a serf from the land is a form of theft – stealing labor power partially owned by the lord. For a discussion of this conceptualization of feudalism, see Wright (1985: chapter 3).

complexity in the form of class relations, not some other sort of social relation, since the social relations still govern the unequal rights and powers of people over economically relevant assets.

The sum total of the class relations in a given unit of analysis can be called the "class structure" of that unit of analysis. One can thus speak of the class structure of a firm, of a city, of a country, perhaps of the world. A class structure generally does not consist of a single type of class relation. Typically a variety of forms of class relations are combined in various ways which further adds to the complexity of class structures.[2]

4. Class locations within class relations

"Class locations" can be understood as the social positions occupied by individuals -- and in some contexts, families -- within class relations. Again, these class locations need not be polarized -- locations in which there is an absolute disjuncture between the rights and powers of the different locations-within-relations. A characteristic feature of many class structures is the existence of what I have termed "contradictory locations within class relations". The claim of a class analysis of such social locations is that the specific pattern of rights and powers over productive resources that are combined in a given location define a set of real and significant causal processes. Contradictory locations are like a chemical compound in which its properties can best be explained by uncovering the specific way in which different elements -- different rights and powers with respect to the various assets used in production -- are combined rather than treating such locations as unitary, one dimensional categories.

[2] Class structures are thus complex for two reasons: the rights and powers within given forms of class relations can be redistributed in various ways; and a given class structure may combine a variety of different kinds of class relations.

Step 5. Micro- and Macro-class analysis

The micro-level of class analysis attempts to understand the ways in which class impacts on individuals. At its core is the analysis of the effects of class locations on various aspects of individual lives. Analyses of labor market strategies of unskilled workers or political contributions of corporate executives would be examples of micro-level class analysis so long as the rights and powers of these actors over economic resources figured in the analysis. The macro-level of analysis centers on the effects of class structures on the unit of analysis in which they are defined. The analysis of how the international mobility of capital constrains the policy options of states, for example, constitutes a macro-level investigation of the effects of a particular kind of class structure on states.

II. The Explanatory Claims: ***The fundamental metathesis of class analysis***

The fundamental metathesis of class analysis is that class, understood in the above way, has systematic and significant consequences both for the lives of individuals and the dynamics of institutions. One might say "class counts" as a slogan. At the micro-level, whether or not one sells one's labor power on a labor market, whether or not one has the power to tell other people what to do in the labor process, whether or not one owns large amounts of capital, whether or not one possesses a legally-certified valuable credential, etc. have real consequences in the lives of people. At the macro-level it is consequential for the functioning of a variety of institutions whether or not the rights over the allocation and use of means of production are highly concentrated in the hands of a few people, whether or not certain of these rights have been appropriated by public authority or remain privately controlled, whether or not there are significant barriers to the acquisition of

different kinds of assets by people who lack them, and so on. To say that "class counts," then, is to claim that the distribution of rights and powers over the basic productive resources of the society have significant, systematic consequences.

What, then, are the specific mechanisms through which these effects are generated? By virtue of what are class relations as here defined explanatory? At the most general and abstract level, the causal processes embedded in class relations help to explain two kinds of proximate effects: what people *get*, and what they have *to do* to get what they get. The first of these concerns, above all, the distribution of *income*. The class analysis claim is, therefore, that the rights and powers people have over productive assets is a systematic and significant determinant of their standards of living: *what you have determines what you get.* The second of these causal processes concerns, above all, the distribution of economic *activities.* Again, the class analysis thesis is that the rights and powers over productive assets is a systematic and significant determinant of the strategies and practices in which people engage to acquire their income: whether they have to pound the pavement looking for a job; whether they make decisions about the allocation of investments around the world; whether they have to worry about making payments on bank loans to keep a farm afloat. *What you have determines what you have to do to get what you get.* Other kinds of consequences that are linked to class -- voting patterns, attitudes, friendship formation, health, etc. -- are second-order effects of these two primary processes.

These are not trivial claims. It could be the case, for example, that the distribution of the rights and powers of individuals over productive resources has relatively little to do with their income or economic activities. Suppose that the welfare state provided a universal basic income to everyone sufficient to sustain a decent standard of living. In such a society what people get

would be significantly, although not entirely, decoupled from what they own. Similarly, if the world became like a continual lottery in which there was virtually no stability either within or across generations to the distribution of assets, then even if it were still the case that relations to such assets statically mattered for income, it might make sense to say that class didn't matter very much. Or, suppose that the central determinant of what you have to do to get what you get was race or sex or religion and that ownership of economically-relevant assets was of marginal significance in explaining anyone's economic activities or conditions. Again, in such a society, class might not be very explanatory (unless, of course, the main way in which gender or race affect these outcomes was by allocating people to class positions on the basis of their race and gender). The sheer fact of inequalities of income or of domination and subordination within work is not proof that class counts; what has to be shown is that the rights and powers of people over productive assets has a systematic bearing on these phenomena.

III. Marxist class analysis

As formulated above, there is nothing uniquely Marxist about the explanatory claims of class analysis. "What people get" and "what people have to do to get what they get" sounds very much like "life chances." Weberian class analysts would say very much the same thing. It is for this reason that there is a close affinity between Marxist and Weberian concepts of class (although less affinity in the broader theoretical frameworks within which these concepts figure or in the explanatory reach class is thought to have).

What makes class analysis distinctively Marxist is the account of specific mechanisms which are seen as generating these two kinds of consequences. Here the pivotal concepts are

exploitation and *domination*. These are the conceptual elements which anchor the Marxist concept of class in the distinctive Marxist question of class analysis.

Exploitation is a complex and challenging concept. It is meant to designate a particular form of interdependence of the material interests of people, namely a situation which satisfies three criteria:[3]

(1) *The inverse interdependent welfare principle*: the material welfare of exploiters causally depends upon the material deprivations of the exploited.

(2) *The exclusion principle*: this inverse interdependence of welfares of exploiters and exploited depends upon the exclusion of the exploited from access to certain productive resources.

(3) *The appropriation principle*: Exclusion generates material advantage to exploiters because it enables them to appropriate the labor effort of the exploited.

Exploitation is thus a diagnosis of the process through which the inequalities in incomes are generated by inequalities in rights and powers over productive resources: the inequalities occur, in part at least, through the ways in which exploiters, by virtue of their exclusionary rights and powers over resources, are able to appropriate surplus generated by the effort of the exploited. If the first two of these principles are present, but not the third, economic oppression may exist, but not exploitation. The crucial difference is that in nonexploitative economic oppression, the privileged social category does not itself need the excluded category. While their welfare does depend upon the exclusion, there is no on-going interdependence of their activities.

3. For a more extensive discussion of these three principles, see Wright (1997:9-19).

In the case of exploitation, the exploiters actively need the exploited: exploiters depend upon the effort of the exploited for their own welfare.

This deep interdependence makes exploitation a particularly explosive form of social relation for two reasons: First, exploitation constitutes a social relation which simultaneously pits the interests of one group against another and which requires their ongoing interactions; and second, it confers upon the disadvantaged group a real form of power with which to challenge the interests of exploiters. This is an important point. Exploitation depends upon the appropriation of labor effort. Because human beings are conscious agents, not robots, they always retain significant levels of real control over their expenditure of effort. The extraction of effort within exploitative relations is thus always to a greater or lesser extent problematic and precarious, requiring active institutional devices for its reproduction. Such devices can become quite costly to exploiters in the form of the costs supervision, surveillance, sanctions, etc.. The ability to impose such costs constitutes a form of power among the exploited.

Domination is a simpler idea. It identifies one dimension of the interdependence of the activities within production itself rather than simply the interdependence of material interests generated by those activities. Here the issue is that, by virtue of the relations into which people enter as a result of their rights and powers they have over productive resources, some people are in a position to control the activities of others, to direct them, to boss them, to monitor their activities, to hire and fire them, to advance or deny them credit.[4] The Marxist class analysis

[4] While Weberians generally do not talk about exploitation, domination is an important theme within Weberian sociology. It is not, however, generally linked so directly with the problem of rights and powers over economic resources, and thus is less closely tied to the problem of class as such. Weberian discussions of domination are thus typically found in general discussions of forms of authority and power rather than the specific issue of class.

thesis, therefore, is not simply that "what you have determines what you have to do to get what you get", but "what you have determines the extent to which you are dominated or dominating when you do what you have to do to get what you get."

In Weberian class analysis, just as much as in Marxist class analysis, the rights and powers individuals have over productive assets defines the material basis of class relations. But for Weberian-inspired class analysis, these rights and powers are consequential primarily because of the ways they shape *life chances*, most notably life chances within market exchanges, rather than the ways they structure patterns of exploitation and domination. Control over resources affects bargaining capacity within processes of exchange and this in turn affects the results of such exchanges, especially income. Exploitation and domination are not centerpieces of this argument.

This suggests the contrast between Marxist and Weberian frameworks of class analysis illustrated in figure 1. Both Marxist and Weberian class analysis differ sharply from simple gradational accounts of class in which class is itself directly identified within inequalities in income since both begin with the problem of the social relations that determine the access of people to economic resources. In a sense, therefore, Marxist and Weberian definitions of class in capitalist society share the same definitional criteria. Where they differ is in the theoretical elaboration and specification of the implications of this common set of criteria: the Marxist model sees two causal paths being systematically generated by these relations – one operating through market exchanges and the other through the process of production itself – whereas the Weberian model traces only one causal path, and the Marxist model elaborates the mechanisms of these causal paths in terms of exploitation and domination as well as bargaining capacity within exchange whereas the Weberian model only deals with the last of these. In a sense, then, the Weberian strategy of class

analysis is contained within the Marxist model.

Of course, any Weberian can include an analysis of class-based domination and exploitation within any specific sociological inquiry. One of the charms of the Weberian analytical framework is that it is entirely permissive about the inclusion of additional causal processes. Such an inclusion, however, represents the importation of Marxist themes into the Weberian model; the model itself does not imply any particular importance to these issues. Frank Parkin once made a well known quip in a book about class theory that "Inside every neo-Marxist is a Weberian struggling to get out". The argument presented here suggests a complementary proposition, that "Inside every leftist neo-Weberian is a Marxist struggling to stay hidden."

IV. The pay-off: what are the advantages of the Marxist strategy of class analysis?

Elaborating the concept of class in terms of exploitation and domination clearly facilitates its analytical relevance to the agenda embedded in the distinctive Marxist question: "What sorts of struggles have the potential to challenge and transform capitalist economic oppressions in an emancipatory direction?" Class struggles have this potential because of the way class relations shape the interests and capacities of actors with respect to those oppressions. Saying this, of course, does not define the conclusion of the Marxist agenda, but only its starting point. It does not prejudge the problem of what social conditions enable or impede such struggles or determine their effectiveness, of how class struggles are linked to other kinds of social conflicts, or whether or not class compromises are possible within such struggles, or even of the historically possible extent to which capitalist economic oppressions can be eliminated. But I am claiming that the answer to these questions is facilitated when class is understood in terms of exploitation and

domination.

But what if one is not particularly interested in the foundational Marxist question? What if one believes that emancipatory transformations of capitalism, however morally attractive, are utopian fantasies? Or even more critically, what if one believes that capitalism isn't especially oppressive? If one rejects the relevance of the Marxist question, does this necessarily imply a complete rejection of the Marxist conceptualization of class as well? I think not. There are a number of reasons that elaborating the concept of class in terms of exploitation and domination has theoretical pay-offs beyond the specific normative agenda of Marxist class analysis itself:

1. *Linking exchange and production*. The Marxist logic of class analysis affirms the intimate link between the way in which social relations are organized within exchange and within production. This is a substantive, not definitional, point: the social relations which organize the rights and powers of individuals with respect to productive resources systematically shapes their location both within exchange relations and within the process of production itself. This does not mean, of course, that there is no independent variation of exchange and production, but it does imply that this variation is structured by class relations.

2. *Conflict.* One of the standard claims about Marxist class analysis that it foregrounds conflict within class relations. Indeed, a conventional way of describing Marxism in sociological textbooks is to see it as a variety of "conflict theory." This characterization, however, is not quite precise enough, for conflict is certainly a prominent feature of Weberian views of class as well. The distinctive feature of the Marxist account of class relations in these terms is not simply that it

gives prominence to class conflict, but that it understands conflict as generated by inherent properties of those relations rather than simply contingent factors. Exploitation defines a structure of inter-dependent interests in which advancing the interests of exploiters depends upon their capacity to impose deprivations on the exploited. This is a stronger antagonism of interests than simple competition, and it underwrites a strong prediction within Marxist class analysis that class systems will be conflict ridden.

3. *Power.* At the very core of the Marxist construction of class analysis is not simply the claim that class relations generate deeply antagonistic interests, but that they also give people in subordinate class locations forms of power with which to struggle for their interests. As already noted, since exploitation rests on the extraction of labor effort, and since people always retain some measure of control over their own effort, they always confront their exploiters with capacities to resist exploitation.[5] This is a crucial form of power reflected in the complex counter-strategies exploiting classes are forced to adopt through the elaboration of instruments of supervision, surveillance, monitoring, and sanctioning. It is only by virtue of this inherent capacity for resistence – a form of social power rooted in the interdependencies of exploitation – that exploiting capacities are forced to devote some of their resources to insure their ability to appropriate labor effort.

5. It is important to note that one need not accept the normative implications of the concept of "exploitation" to recognize the problem of the "extraction of labor effort". This is one of the cental themes in discussions of principal/agent problems in transaction costs approaches to organization. For an discussion of class and exploitation specifically in terms of p/a issues, see Bowles and Gintis (1990).

4. *Coercion and consent.* Marxist class analysis contains the rudiments of what might be termed an endogenous theory of the formation of consent. The argument is basically this: The extraction of labor effort in systems of exploitation is costly for exploiting classes because of the inherent capacity of people to resist their own exploitation. Purely coercively backed systems of exploitation will often tend to be suboptimal since under many conditions it is too easy for workers to withhold diligent performance of labor effort. Exploiting classes will therefore have a tendency to seek ways of reducing those costs. One of the ways of reducing the overhead costs of extracting labor effort is to do things which elicit the active consent of the exploited. These range from the development of internal labor markets which strengthen the identification and loyalty of workers to the firms in which they work to the support for ideological positions which proclaim the practical and moral desirability of capitalist institutions. Such consent-producing practices, however, also have costs attached to them, and thus systems of exploitation can be seen as always involving trade-offs between coercion and consent as mechanisms for extracting labor effort.

This argument points to a crucial difference between systems of nonexploitative oppression and exploitative class relations. In nonexploitative oppression, there is no dependency of the oppressing group on the extraction of labor effort of the oppressed and thus much less need to elicit their active consent. Purely repressive reactions to resistence – including genocidal repression – are therefore feasible. This is embodied in the abhorrent 19th century American folk expression "the only good Indian is a dead Indian", an expression which reflects the fact that native Americans were generally not exploited, although they were certainly oppressed. The comparable, if less catchy, expression for workers would be "the only good worker is an obedient worker"; it would make no sense to say "the only good worker is a dead worker". This contrast

points to the ways in which an exploitation-centered class analysis suggests an endogenous understanding of the construction of consent.

5. Historical/comparative analysis. As originally conceived, Marxist class analysis was an integral part of a sweeping theory of the epochal structure and historical trajectory of social change. But even if one rejects historical materialism, the Marxist exploitation-centered strategy of class analysis still provides a rich menu of concepts for historical and comparative analysis. Different kinds of class relations are defined by the specific mechanisms through which exploitation is accomplished, and these differences in turn imply different problems faced by exploiting classes for the reproduction of their class advantage and different opportunities for exploited classes to resist. Variations in these mechanisms and in the specific ways in which they are combined in concrete societies provide an analytically powerful road map for comparative research.

These are all reasons why a concept of class rooted in the linkage between social relations of production on the one hand and exploitation and domination on the other should be of sociological interest. Still, the most fundamental pay-off of these conceptual foundations is that way it infuses class analysis with moral critique. The characterization of the mechanisms underlying class relations in terms of exploitation and domination focuses attention on the moral implications of class analysis. Exploitation and domination identify ways in which these relations are oppressive and create harms, not simply inequalities. Class analysis can thus function not simply as part of a scientific theory of interests and conflicts, but of an emancipatory theory of

alternatives and social justice. Even if socialism is off of the historical agenda, the idea of countering the exploitative logic of capitalism is not.

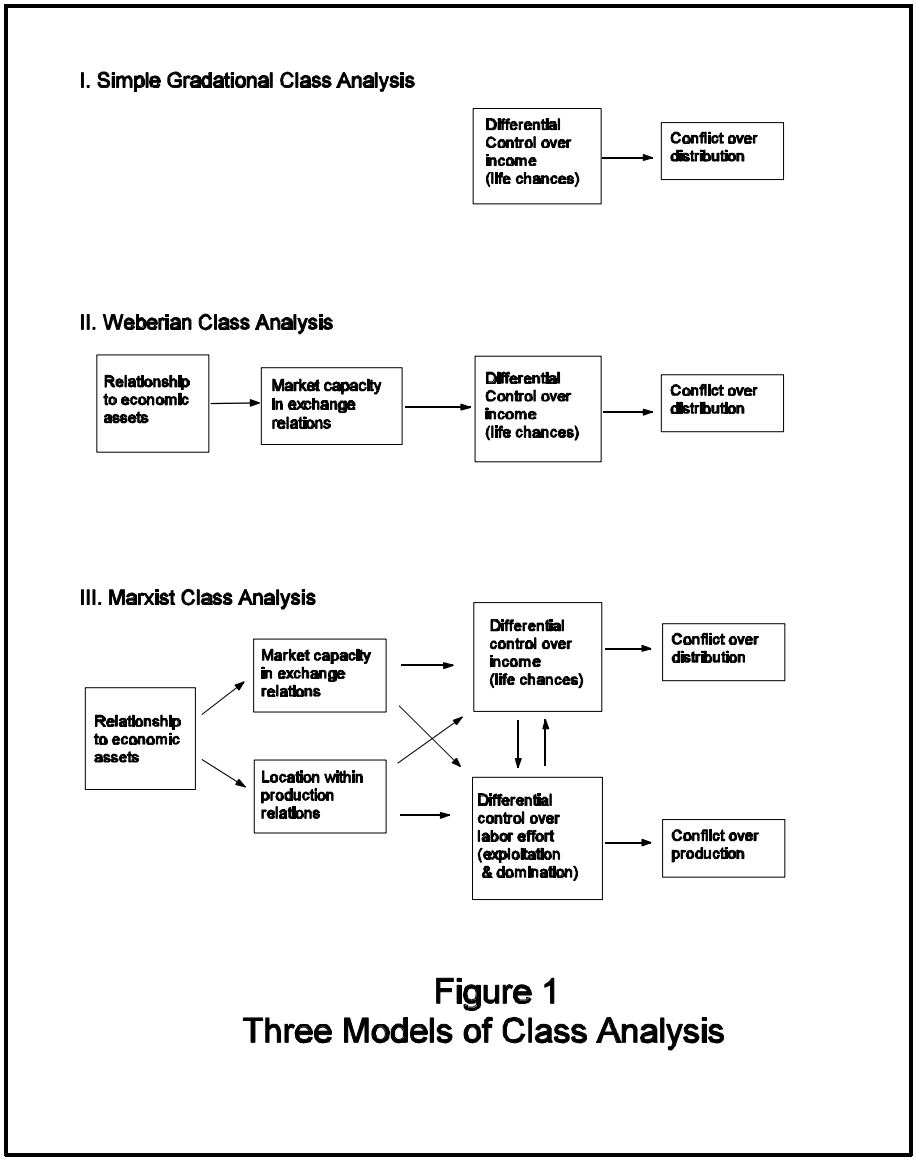

Figure 1
Three Models of Class Analysis