Social Inequality and Mobility

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Introduction
Describing the various forms of social inequalities in a society (for example, in terms of income, wealth, job positions, social class, prestige, education), explaining how they come into being and elaborating what results from them with regard to an individual’s life chances, class identification, and political behavior are core subjects of sociology since its beginning (Grusky 2008). Our current understanding of social inequality is largely molded by the classical works of Marx and Weber. “Both Marx and Weber claim that (1) a person’s class location, defined by his or her relation to property, systematically affects material interests…; and that (2) material interests so defined do influence behavior” (Wright 2005, 212).

For Marx, the central issue is how class determines both life chances and exploitation. For him, exploitation is central to explaining the character of conflict between workers and capitalists in the production process of capitalist societies. For Weber, on the other hand, class position is defined as the market situation. The Weberian claim is that in a market society opportunities of individuals are caused by the quality and quantity of what people have to exchange on the (labor) market. Sociologists therefore group individuals into classes based on their economic positions and similar economic interests within a social stratification system.

Weber (1972, 177) in addition developed the idea of “social class” which are all those class positions between which intra- or intergenerational mobility processes are easily possible or typically tend to take place. Intergenerational mobility refers to changes in social class position from parents’ to children’s generation; for example the occupational class position of a son compared to the occupational class of the father. Intergenerational mobility means changes in social class over the life course; for example, career mobility of individuals or their likelihood of experiencing certain labor market risks, such as unemployment.

An important aim of today’s social inequality research is to assess changes in the openness or closedness of a society by examining social mobility processes between class or status positions over time and to compare these changes across different societies (Erikson and Goldthorpe 1992). If the chances of inter- and/or intragenerational mobility are very low in a society, this is generally seen as an indicator for a closed social structure reflecting a high level of persisting inequalities.

Our essay is structured as follows: First, we briefly summarize the recent developments in the field of social inequality and mobility research. Here, we will not only refer to new theoretical concepts, but also to methodological advances. Second, we will then address the widely held view that new inequalities must be understood primarily as a consequence of the progressive integration of world markets (see also Goldthorpe 2007). The central argument here is that traditional social inequality structures are fundamentally eroding in the globalization process, so that modern societies can no longer be characterized as class societies. In this section, we will present not only theoretical concepts, but also the latest empirical evidence from research examining the distribution of labor market risks in an era of increasing uncertainty. We close with a short summary and our outlook for the future.

Recent Developments in Social Inequality and Mobility Research
Social stratification and mobility research was strongly affected by modernization theorists who claimed that rates of social mobility and the degree of equality in opportunities tend to increase in modern societies (Blau and Duncan 1967; Treiman 1970; Gallbraith 1971; Bell 1975; Kerr 1983). Their argument was that technological progress upgrades the skill levels of employment, so that there is a rising demand for highly qualified personnel. In addition, in the modernization process the procedures of social selection are supposed to shift away from ascription towards achievement, so that modern societies are becoming increasingly “meritocratic” (Treiman 1970). A central question of social inequality research has also always been whether industrialized countries (and their mobility patterns) are converging in the modernization process (Marx 1976; Weber 1972; Gallbraith 1971; Kerr 1983) or if they still continue to diverge from each other (Schumpeter 1950; Sorokin 1954; Moore 1979).
From the 1950s to the 1980s, the focus of social mobility studies was mainly on intergenerational mobility processes (Sorokin 1954; Lipset and Bendix 1959; Müller 1986; Kurz and Müller 1987). These early mobility studies provided empirical evidence for an increasing mobility rate across generations, a rising openness of the social structure, and a convergence of mobility patterns across different countries. In their seminal work, Featherman, Jones and Hauser (1975) have later reformulated this “convergence thesis”. Based on their log-linear table analyzes, they concluded that in modern market societies the absolute (or observable) mobility chances still differ, but that the underlying relative intergenerational mobility rates extensively resemble each other if one controls for the different structural contexts. This finding—in literature referred to as the Featherman-Jones-Hauser-hypothesis—was later supported by additional empirical studies (see, for example, Hope 1984; Erikson, Goldthorpe and Portocarero 1982; Grusky and Hauser 1984; Goldthorpe 1987). The main conclusion from these works was that although various industrialized countries resemble each other with regard to “social fluidity” (that is, the intergenerational openness), their social openness/closedness has not really changed in the process of industrialization (see Haller, König and Kurz 1985; Müller 1986). Referring to theorists such as Weber (1972) and Sorokin (1954), the persistence of social inequalities was explained by the strategies of privileged social classes in modern societies to reproduce themselves through their differential power positions.

In the 1980s, this type of internationally comparative mobility research was increasingly criticized from a life course perspective. Especially in methodological respect, the log-linear analysis of standard mobility tables was questioned (see Sørensen 1983). The standard mobility table of such studies was obtained from a cross-sectional sample of men who were asked about their current job position and about their father’s position when they were growing up. The father’s position is normally referred to as the origin position in these analyzes, and the son’s as the destination position. It is often seen as providing a picture of the social structure in two points in time. But this is a completely misleading picture, as shown by Sørensen (1983). As fathers have sons at different ages and at different stages in their careers, the marginal distribution of origin positions does not correspond to a real distribution of origins in social structure at any point in time. And, as sons are in different stages of their careers at the time of the cross-sectional interview, the marginal distribution of destinations does not correspond to any real distribution of destinations in the social structure. The result is that the typical mobility table aggregates career mobility processes for two generations spanning a large part of the century (Sørensen 1983). It simply ignores the time-dependent nature of the attainment process in the life course.

The reaction to this criticism was to focus more on birth cohorts and to separate mobility processes in modern societies into an intergenerational and an intragenerational part (see, for example, König and Müller 1986; Erikson and Goldthorpe 1992). Based on cohort-specific intragenerational mobility tables, it became soon clear that, in contrast to intergenerational mobility processes, the level of life course mobility varies strongly across different countries (Müller 1986; Erikson and Goldthorpe 1992; see also the results of the VASMA project “Vergleichende Analysen der Sozialstruktur mit Massendaten” and CASMIN project “Comparative Analysis of Social Mobility in Industrial Nations”). However, there were still problems with this kind of research, not only due to the cross-sectional character of the data, but also because the intragenerational mobility processes were analyzed without a systematic theoretical grounding; that is, that careers were not analyzed and understood as highly time-dependent processes which have to be reconstructed step by step over the life course and which are the result of the interaction of individual and structural factors (see, for example, Sørensen’s (1979, 1983) vacancy competition theory).

Based on international comparative labor market studies, it also became increasingly clear that macro-structural trends strongly interact with domestic institutional and organizational structures in modern societies; for example, open and closed employment relationships (Sørensen 1983; Sørensen and Tuma 1981, Soskice 1991, 1999), secondary, occupation-specific and internal labor markets (Lutz 1976; Althauer and Kalleberg 1981; Sengenberger and Köhler 1983; Haller 1989; Carroll and Mayer 1986), different forms of schooling and vocational training (König and Müller 1986; Haller 1989) and different welfare regimes (Esping-Andersen 1990, 1993; Becker 1993). As a result,