Student “Haves” and “Have-Nots” in Higher Education

The world of higher education is stratified in various ways. For example, a status hierarchy is formed by graduates of high-ranking Ivy League universities, middle-level state universities, and lower-level community colleges. Whatever the level of the higher education system from which you graduate, another aspect of stratification, and one that undoubtedly interests and may even trouble you, is the high cost of your education. Cost is not much of a problem for the very wealthy or those brilliant (or athletically gifted) enough to earn full scholarships. However, for most students, it is a major issue, and for many (and likely their parents), it can be a hardship if not an overwhelming barrier to attending and ultimately graduating from college. The ability to afford a college degree is closely related to social class position.

Students from the middle and lower classes deal with the cost of education in various ways, such as by holding part-time jobs, attending lower-cost state and especially community colleges, and taking out loans, either on their

LEARNING OBJECTIVES

7.1 Describe the three dimensions of social stratification.
7.2 Identify factors contributing to economic inequality.
7.3 Identify different types of social mobility.
7.4 Discuss theories of social stratification.
7.5 Explain the relationship between consumption and social stratification.
7.6 Understand the characteristics of global stratification.

edge.sagepub.com/ritzeressentials3e
- Take the chapter quiz
- Review key terms with eFlashcards
- Explore multimedia links and SAGE readings

Copyright ©2019 by SAGE Publications, Inc. This work may not be reproduced or distributed in any form or by any means without express written permission of the publisher.
own or through their parents. Whatever route they take, they are disadvantaged in comparison to those who have no problem affording whatever college they wish to attend.

Student loans represent an especially big problem for many students. Private loans are likely to have variable interest rates and offer little protection in case of default. This stands in contrast to federal student loans, which have fixed rates and many protections, including against default. Total student loans in the United States amount to more than $1.36 trillion, a fourfold increase between 2000 and 2016. Many students leave college owing $35,000, or more, and they are then likely to find themselves unemployed or with low-paying jobs. As a result, many are unable to make the payments due on their loans, and they may remain saddled with college debt for a large part of their lives, perhaps even into old age.

Of great and particular concern is debt incurred by students who attend for-profit colleges such as the University of Phoenix, as well as institutions that don’t even deserve to be thought of as colleges (or universities), such as the scandalous Trump “University” where students lost tens of thousands of dollars (Carey 2016). Such colleges are most likely to be attended by those who are underprepared for higher education, are economically disadvantaged, and rank low in the stratification system. These students may receive a poor education, have a lower-than-average graduation rate, and incur higher-than-average student debt, even if, as is often the case, they do not complete their degrees. For-profit colleges enroll only 11 percent of all college students in the United States, but they account for almost 35 percent of student defaults on loans (Douglas-Gabriel 2016; Shen 2016). Further complicating matters for such students is the fact that they are preyed upon by debt-relief companies that charge high fees and/or often do not deliver on their promises to cut or eliminate the debt. These students’ debt is high both because they have fewer economic resources with which to avoid or repay the debt and because for-profit colleges are often more expensive than other colleges.

The educational experience is just another example of the highly stratified character of many areas of U.S. society in which the poor pay more—and get far less.

We often hear that American society, as well as the world as a whole, is unfair. This is generally taken to mean that a relatively small number of people have way too much, while most of the rest of us have far too little. In the United States, this unfairness is made abundantly clear when we see news reports about the excesses of the super-rich, such as multimillion-dollar bonuses, private jets, and mansions or condos in New York or London worth tens or hundreds of millions of dollars. At the other extreme, the gap is just as clear when we encounter homeless people begging on street corners and at turn lanes on heavily traveled roads.

What is it that some people have, or are thought to have, and others lack? The most obvious answer is money and what money buys. However, social stratification involves hierarchical differences not only in economic positions but also in other important areas, such as status, or social honor, and power. Social stratification has a profound effect on how monetary and nonmonetary resources are distributed in American society and around the globe.

**DIMENSIONS OF SOCIAL STRATIFICATION**

Any sociological discussion of stratification draws on an important set of dimensions derived from the work of the great German social theorist Max Weber ([1921] 1968; Bendix and Lipset 1966). These three dimensions are social class, status, and power.

**SOCIAL CLASS**

One’s economic position in the stratification system, especially one’s occupation, defines one’s social
**class.** A person’s social class position strongly determines and reflects his or her income and wealth. Those who rank close to one another in wealth and income can be said to be members of the same social class. For example, multibillionaire entrepreneurs such as Bill Gates and Warren Buffett belong to one social class; the janitor in your university building and the mechanic who fixes your car at the corner gas station belong to another. Terms often used to describe a person’s social class are upper class (for example, large-scale entrepreneurs and many large investors, especially in hedge funds), middle class (nurses, teachers, veterinarians, air traffic controllers, travel agents, and firefighters), working class (manual, clerical, and full-time service workers in industries such as fast food), and lower class (part-time service and other workers and the unemployed). Figure 7.1 illustrates the relationships among occupation, income, and social class in the United States (Gilbert 2015). Its teardrop shape represents the percentage of Americans in each class; there are substantially more people in the working and lower classes than there are in the upper class. As we will soon see, the United States is even more stratified than Figure 7.1 suggests.

**STATUS**

The second dimension of the stratification system, status, relates to the prestige attached to a person’s positions within society. The existence and importance of this dimension demonstrate that factors other than those associated with money are considered valuable in society. For example, in a 2015 Harris Poll of 2,223 U.S. adults, the well-paid doctor was ranked the most prestigious, followed by the less well-paid scientist, and in third place the

---

**FIGURE 7.1 • Social Classes, Occupations, and Incomes in the United States**

<table>
<thead>
<tr>
<th>TYPICAL OCCUPATIONS</th>
<th>TYPICAL INCOMES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Large-scale entrepreneurs and investors</td>
<td>About $2 million per year</td>
</tr>
<tr>
<td>Professionals such as nurses, teachers, veterinarians, air traffic controllers, travel agents, and firefighters</td>
<td>$70,000 to $150,000 per year</td>
</tr>
<tr>
<td>Manual, clerical, and service workers</td>
<td>$25,000 to $40,000 per year</td>
</tr>
<tr>
<td>Part-time workers and the unemployed</td>
<td>About $15,000 per year</td>
</tr>
</tbody>
</table>

comparatively modestly paid firefighter. However, the often exorbitantly paid and rewarded corporate executive was not even in the top 10 occupations in terms of prestige (Harris Interactive 2016).

**POWER**

A third dimension of social stratification is **power**, the ability to get others to do what you want them to do, even if it is against their will. Those who have a great deal of power rank high in the stratification system, while those with little or no power are arrayed at or near the bottom. This is clearest in the case of politics, where, for example, the president of the United States ranks very high in power, while millions of ordinary voters have comparatively little political power.

Greater income is generally associated with more power, but there are exceptions to this rule. In the late 2000s, an increasing number of media stories focused on the phenomenon of “breadwinner wives” and “breadwinner moms,” or those wives and moms who are the sole or primary providers of income for their families. Only 11 percent of households with children under 18 had breadwinner moms in 1960, but that had risen to 40 percent in 2011 (Mundy 2012; Wang, Parker, and Taylor 2013). Then there are “alpha wives and moms”—women who earn more than their husbands (Chae 2015). As shown in Figure 7.2, only 4 percent of wives in 1960 had income greater than that of their husbands, but by 2011, 23 percent of wives earned more than their husbands.

In spite of their greater income, breadwinner wives and moms may not have greater power in the marital relationship, and in many cases, they are compelled to be content with sharing power with their husbands (Cherlin 2010).

**ECONOMIC INEQUALITY**

A major concern in the sociological study of stratification is **inequality**, a condition whereby some...
positions in society yield a great deal of money, status, and power, while others yield little, if any, of these. While other bases of stratification exist, the system of stratification in the United States, and in much of the contemporary world, is based largely on money.

Money can take the form of income or wealth. **Income** is the amount of money a person earns from a job, a business, or returns on various types of assets (e.g., rents on real estate) and investments (e.g., dividends on stocks and bonds). Income is generally measured year by year. For example, you might have an income of $25,000 per year. **Wealth**, on the other hand, is the total amount of a person's financial assets and other properties less the total of various kinds of debts, or liabilities. Assets include, among others, savings, investments, homes, and automobiles, while debts include home mortgages, student loans, car loans, and amounts owed to credit card companies. If all your assets total $100,000 but you owe $25,000, your wealth (or net worth) amounts to $75,000.

Wealth can be inherited from others, so that a person can be very wealthy yet have a modest income. Many elderly widows and widowers find themselves in this position. Conversely, people can earn substantial incomes and not be very wealthy because, for example, they squander their money on expensive vacations or hobbies, or on alcohol or drugs.

**INCOME INEQUALITY**

Sociologists are interested in inequality in status and power, but they tend to be most concerned about economic inequality. In many parts of the world, incomes became more equitable from the late 1920s until the 1970s. However, since the 1970s, there has been a substantial increase in income inequality in many countries, with a few individuals earning a great deal more and many earning little, if any, more. Even in the United States, which we historically and erroneously regard as an egalitarian society, income inequality has been rising since the 1970s and now rivals levels that existed in the late 1920s (Reich 2016). That was at the peak of the boom years of the Roaring Twenties and just before the bursting of the economic bubble that heralded the beginning of the Great Depression. In 1928, the top 1 percent of families, the main beneficiaries of the economic boom of the 1920s, received almost 24 percent of all pretax income, while the bottom 90 percent of families earned only about 51 percent of that income. The Depression and World War II altered the economic landscape and led to greater equality. By 1944, the top 1 percent were receiving only about 11 percent of income, while the bottom 90 percent were earning more than 67 percent of that income. However, the situation began to change again in the 1970s, and by 2015, the top 1 percent of American families earned nearly 17 percent of all income, up from 10 percent in 1960 (see Figure 7.3)—this was almost as much (in percentage terms) as in 1928. At the same time, the share of the bottom 90 percent was below 50 percent, even less than in 1928. While the upper and lower classes have grown over the past two decades, the middle class has contracted. A recent Pew study found that the middle-class households in the United States declined from 62 percent to 59 percent between 1991 and 2010 (Schwartz 2017).
Income inequality today is even greater if we focus not on the top 1 percent but on the elite of the elite, the top 0.1 percent of households. In 2012, the average annual household income for the top 0.1 percent was a whopping $6,373,782. By comparison, the top 1 percent had to make do with an income of only $1,264,065. How about the bottom 90 percent? Their average household income was $30,997. In other terms, the top 0.1 percent earned 206 times as much as the bottom 90 percent, while the top 1 percent made 41 times the income of those at the bottom. This gap, too, has worsened over time. In 1980, the multiples were 47 and 14; in 1990, they were 87 and 21 (Lowrey 2014). Thus, it’s a great time to be rich, but it is an even better time to be uber-rich.

Several broad reasons have been put forth to explain recent increases in income inequality:

- **Deindustrialization.** The decline of U.S. industry, as well as of industry in other developed countries, has led to the loss of many higher-paying industrial jobs (Bluestone and Harrison 1984; Goldstein 2017; Kollmeyer and Pichler 2013). Deindustrialization is also related to the decline in the power of labor unions, which had helped many industrial workers obtain higher pay and generous benefits.

- **Technological advances.** The highest-paying new jobs in recent years have been created in high-tech, high-skill areas such as information technology (IT). Many Americans have not received the training necessary to shift from industrial to high-tech work.

- **Political climate.** A variety of political decisions help explain the increase in income inequality. There is, for example, political opposition in the United States (mainly from Republicans and their wealthy supporters and backers) to raising the federal minimum wage (currently $7.25 per hour) at all, or to raising it very much (Ritzer 2015b). In addition, tax policies benefit homeowners, not renters, who are more likely to be poor (Desmond 2017).

**ASK YOURSELF**
Which of the proposed reasons for the steady increase in income inequality do you think has had the greatest impact on those you know? What about in society at large? Why?

**WEALTH INEQUALITY**
As unfair as income inequality may seem, the greatest disparities in society—the largest differences
between the haves and the have-nots—are found in the enormous differences in wealth (that is, economic assets) in society. Wealth inequality tends to be much greater than income inequality. The two are linked, however, because wealth tends to produce various sources of income, such as dividends and interest. Those with significant amounts of income from such sources are far more likely to rank toward the top of the stratification system in terms of income than are those who rely mainly on wages and salaries. Thus, wealth itself is important, as is the seemingly endless stream of income that wealth tends to produce.

Like income inequality, wealth inequality has tended to increase in recent years in the United States and other Western countries (and the U.S. tax system is of decreasing utility in reducing that inequality [Looney and Moore 2016; Reich 2016]). More than 80 percent of the wealth gain in the United States between 1983 and 2009 went to the wealthiest 5 percent of the population. Over the last three decades, the wealth of the top 0.1 percent of households has increased from 7 to 22 percent of the total. In contrast, the poorest 60 percent of the population saw a 7.5 percent decline in wealth. Their wealth has eroded because of such factors as the decline of many housing values and stagnant wages, as well as the large number of people who have given up and left the labor force, thus earning no income and acquiring no wealth (Appelbaum 2014; Saez and Zucman 2014).

As with income inequality, the super-rich (the top 0.01 percent in terms of wealth) are becoming dramatically better off in terms of wealth. The share of the wealth for the top 0.01 percent grew from about 3 percent in 1960 to about 11 percent in 2012.

Wealth brings with it a wide range of advantages:

- It can be invested to generate income and ultimately even greater wealth.
- It can be used to purchase material comforts of all sorts: large homes, vacation retreats, and luxury cars, as well as the services of housekeepers, gardeners, and, personal trainers.
- It can afford a high level of financial security, allowing the wealthy, if they wish, to retire at an early age.
- It purchases far more freedom and autonomy than less wealthy individuals can acquire, such as the freedom to leave unsatisfactory employment without worrying about how the bills will be paid.
Most wealth can be passed on to offspring, even generations away, guaranteeing that they live a similarly privileged lifestyle.

Wealth and the growing disparities in wealth received enormous academic and media attention with the publication of economist Thomas Piketty’s *Capital in the Twenty-First Century* (2014; see also Antonio 2014). Piketty sees wealth as being of greater importance than income. Rather than relying on pay or a salary (even though it might be high) for their labor, those with wealth rely much more on the income their wealth produces, such as earned interest, rental from properties, dividends on stocks and bonds, and royalties. Overall returns from such sources have historically outstripped increases in salaries and pay.

**Status, Power, and Wealth**

Perhaps of greatest importance is the fact that wealth not only accords a high-level position on one dimension of stratification, social class, but it is also an important factor in gaining similar positions on the other dimensions of stratification, status and power. Those who have great wealth tend to rank high in social class because class is, to a considerable degree, defined economically, and wealth is a key indicator of it. Those with great wealth are also generally able to buy or to otherwise acquire what gives them high status and great power. In terms of status, the wealthy can afford more and better-quality education. They can, for example, send their children to very expensive and exclusive prep schools and Ivy League universities. In some elite universities, being a “legacy” applicant—the son or daughter of an elite who attended the same school—can increase the chances of gaining admission, perhaps by as much as 45 percent (Mandery 2014). The practice of favoring legacy applicants is sometimes called “affirmative action for the rich” (Kahlenberg 2010). The wealthy can also achieve recognition as philanthropists by, for example, attending $1,000-per-ticket charity balls or even donating the money needed to build a new wing of a hospital.

Power over employees is a fact of life for wealthy individuals who own businesses or run other organizations. Their needs for financial, household, and personal services give the wealthy another source of power. They have the ability to direct the activities of many charities and civic groups. And if that weren’t enough, the wealthy can buy more power by bribing political officials or making generous campaign contributions to favored politicians. In some cases, the wealthy choose to use their money to run for public office themselves; if successful, their families may come to occupy positions that give them great power. For example, Prescott Bush made his money on Wall Street and became a U.S. senator. His son, George H. W. Bush, became president of the United States, as did his grandson, George W. Bush. Another grandson, Jeb Bush, former governor of Florida, was a (failed) candidate for the Republican nomination for president in 2016.

**The Perpetuation of Wealth**

One of the great advantages of the wealthy is their ability to maintain their social class across generations. Their ability to keep their wealth, if not expand it, often allows the members of the upper class to pass their wealth, and the upper-class position that goes with it, to their children. The wealthy are able to perpetuate their wealth in large part because they have been able to use their money and influence to resist taxation systems designed to redistribute at least some of the wealth in society. For example, the wealthy have fought long and hard against the estate tax, which places a high tax on assets worth more than a certain amount that are left behind when an individual dies. Many of the wealthy prefer to refer to the estate tax in more negative terms, as a “death tax.”

**THE DECLINE OF THE AMERICAN MIDDLE CLASS**

Much has been written in recent years about the decline, or the hollowing out, of the American middle class (Frank 2013; Schwartz 2017). While there is no clear economic dividing line that separates the middle class from the upper and lower classes, we can say that to be considered part of the middle class, a family of four must have earnings (adjusted for inflation) between $35,000 and $100,000 per year (Searcey and Gebeloff 2015). The proportion of the U.S. population in the middle class declined from 53 percent in 1967 to 50 percent in 2015 (Parlapiano, Gebeloff, and Carter 2015). Some of
Stratification in the New Sharing Economy

In the sharing economy, instead of buying or renting in the usual ways, we share goods and services—at a low cost or free of charge—with others (Gansky 2010; Stein 2015). Instead of renting a hotel room, we can get a room in a private home, or even an entire home, through the online site Airbnb. Instead of hailing a taxi, we can use Uber’s smartphone app and get a pre-paid ride in a private automobile. Instead of waiting for a table at a “hot” restaurant, we can hire someone online to do so through TaskRabbit.

The sharing economy is clearly the wave of the future. But while some sharing is free of profit making and the exchange of money (Atsushi 2014), big businesses have become deeply engaged, and the sharing economy is growing highly stratified.

At the top are the founders, executives, and financiers of the most successful companies. Uber is now valued at about $68 billion (Austin, Canipe, and Slobin 2015), and its founders are likely to be millionaires or even billionaires. But for most of the drivers, the job is part-time and the pay is low. Drivers use their own cars, pay their own expenses, and lack benefits and job security. As a result, they are likely to land in or near the lower class. Worse, their success is costing traditional taxi drivers their jobs. Uber cars now outnumber yellow taxis in New York City by more than three to one (Hu 2017; Pramuk 2015).

Airbnb, valued at about $25 billion, has created a similar stratification system, with founders and executives on top and many who list their apartments and homes nearer the bottom. However, few of those participants are actually individuals sharing space with others. While New York City is attempting to crack down on this, commercial operators supply more than one-third of Airbnb rental units and earn more than one-third of the profits; 6 percent of the hosts earned 37 percent of the revenue, and one had 272 units earning revenue of $6.8 million. Some critics argue that at least in this case, “the very term ‘sharing economy’ is ridiculous” (Austin, Canipe, and Slobin 2015; Streitfeld 2014, A1).

Belk (2014) argues that in all these cases and many others, sharing is being transformed into “pseudo-sharing” by, among others, profit-making organizations that have found this to be a way to grow rich. As Ritzer (2017) puts, there is “woefully little sharing” in the sharing economy. The sharing economy is creating a new stratification system, or at least new positions in the current system. Many will be at or near the bottom.

Engaging the Digital World

Do you think the stratification taking place in the sharing economy is inevitable? Why or why not? Should consumers avoid participating in this economy, even if the services offered are desirable and affordable? Why or why not? If you participate in the sharing economy, explain what types of services you use (or provide) most often and what the alternatives would be to each of them.

Smartphone apps such as those of Uber and Airbnb create a divide between those who control the sharing economy and those who work in it. Is such increased stratification inevitable?
Those in the middle class have been able to rise into the upper class, which grew from 7 percent to 21 percent of the U.S. population between 1967 and 2015. However, many have dropped into the lower class (which, nonetheless, dropped from 40 percent to 29 percent of the population in that period).

The major reason for the decline of the middle class is the decline of middle-income jobs such as better-paid, often unionized, positions in manufacturing, usually owing to technological change (Ford 2015). In other cases, those jobs have been lost to successful companies elsewhere in the world. Some displaced workers have been able to get better-paying jobs and thereby move up the stratification hierarchy. However, many more have had to take lower-paying service jobs, such as in the fast-food industry. They have likely dropped into the lower class, as have those unable to find jobs or unwilling to accept poorly paid work. Another major factor in the decline of the middle class is wage stagnation in the kinds of jobs that members of this class are likely to continue to hold (Greenhouse 2015; Wisman 2013). They may still have the same jobs they had a decade or two ago, but the wages associated with them have tended to increase little, and more likely have tended to decline in real terms, over that time. As a result, they may no longer be able to afford the things usually associated with a middle-class lifestyle.

The Great Recession badly hurt the middle class. For example, many lost their homes because they could no longer afford their mortgage payments. Government efforts in the wake of the recession (such as bailing out banks and investment companies) greatly aided the upper class, but they did little or nothing for the middle class (the government bailed out few homeowners in danger of losing their homes; Hacker and Pierson 2010).

The decline of the middle class is of great concern, especially to those who are no longer in it, or who can no longer aspire to be part of it. From a large-scale perspective, this decline creates a stratification system that splits into the upper and lower classes, with an increasingly massive hole in the middle. This leads to growing inequality and to increasingly less hope for those in the lower classes of finding middle-income positions that will allow them to rise in the stratification system.

**POVERTY**

While some in the middle class have become poor and dropped into the lower class, poverty is obviously a problem mainly for the much more numerous and often long-term members of that class. Poverty and the many problems associated with it are of great concern both to sociologists and to society as a whole (Desmond 2016; Edin and Schaefer 2015; Iceland 2013).

Poverty is troubling for many reasons, the most important of which is its negative effect on the lives of the poor themselves. The lack of a job, or having one that does not offer a living wage, is likely to be associated with many troubling conditions. Those suffering from poverty are likely to suffer from food insecurity; that is, they have difficulty getting enough to eat. They are also likely to be in poor physical and mental health and, as a result, to have a lower life expectancy. In fact, the poor are falling increasingly behind the rich as the gap between the rich and poor in life span has widened dramatically over the years. For men born in 1920, those in the top 10 percent of earners could expect to live six more years than those in the bottom 10 percent of earners. For men born in 1950, the gap had more than doubled to 14 years. For women over the same time period, the gap had grown from 4.7 years to 13 years (Tavernise 2016). Major causes of these growing disparities in life span are significant class differences in smoking, obesity, and involvement in the prescription drug epidemic, especially among poor whites.

The great disparity between the rich and the poor is considered by many to be a moral problem, if not a moral crisis, for society as a whole. The poor are often seen as not doing what they should, or could, to raise themselves out of poverty. They are seen as disreputable, which makes them objects of moral censure by those who have succeeded in society (Damer 1974; Matza 1966; Shildrick and MacDonald 2013). However, some see poverty as an entirely different kind of moral problem. They argue that the poor should be seen as the “victims” of a system that impoverishes them (Ryan 1976). The existence of large numbers of poor people in otherwise affluent societies is a “moral stain” on those societies (Harvey 2007). Something must be amiss in the economic and political systems in societies that perpetuate so much poverty (Rank 2014).
ASK YOURSELF
Do you believe the poor are victims? If so, of whom? Or do you believe the poor have chosen not to raise themselves from poverty? If so, what sociological factors would explain this choice?

ANALYZING POVERTY
It may be tempting to blame the poor for the existence of poverty, but a sociological perspective notes the larger social forces that create and perpetuate poverty. To the sociologist, poverty persists for three basic reasons:

• Poverty is built into the capitalist system. Capitalist businesses seek to maximize profits. They do so by keeping wages as low as possible and by hiring as few workers as possible. When business slows, they are likely to lay people off, thrusting most of them into poverty. It is in the interest of the capitalist system to have a large number of unemployed, and therefore poor, people. This population serves as what Marx called the “reserve army of the unemployed.” This is a readily available pool of people who can be drawn quickly into the labor force when business booms and more workers are needed.

• Competition among social classes encourages some elite groups of people to seek to enhance their economic position by limiting the ability of other groups to maintain even their economic positions. The elites do so by restricting the poor’s access to opportunities and resources such as those afforded by various welfare systems.

• Government actions to reduce poverty, or ameliorate its negative effects on people and society, are generally limited by groups of people who believe that the poor should make it on their own and not be afforded the aid of the government. They also believe that government aid reduces
people’s incentive to do on their own what they need to do to rise above the poverty line.

There are two broad types of poverty:

- **Absolute poverty** is a measure of what people need in order to survive. No matter the standard for measuring poverty, absolute poverty remains constant over time, although its level is revised to take inflation into consideration.

- **Relative poverty** is defined not by some objective standard but rather by the fact that some people, irrespective of income, are, or feel themselves to be, poor relative to others to whom they relate. Thus, even middle-class people (especially those who have experienced wage stagnation or have lost their jobs) and some upper-class people can see themselves as poor in comparison with those around them.

**POVERTY IN THE UNITED STATES**

To measure poverty, the U.S. government uses an absolute measure, a **poverty line**, or threshold, in terms of a set income. A household whose income falls below the threshold is considered to be poor. The formula used involves multiplying the cost of what is deemed to be a nutritionally adequate food plan by three. This is because a family is assumed to spend one-third of its budget on food. It is worth noting that many people criticize this calculation for not considering other necessary expenses, such as child care, housing, and transportation. The poverty line in 2017 for a family of four was a pretax income of $24,600, and $12,060 for a single adult (U.S. Department of Health and Human Services 2017). In 2014, 15 percent of the U.S. population, or 46.7 million people, lived below the poverty line and were therefore officially categorized as poor (DeNavas-Walt and Proctor 2015; U.S. Census Bureau 2014).

As you might expect, given their disadvantages in income and wealth, minorities suffer disproportionately from poverty. The poverty rate in 2014 for non-Hispanic whites was 10 percent. The 12 percent poverty rate for Asians was down significantly from 16 percent in the mid-1980s, but still higher than the rate for non-Hispanic whites. Even more telling, the poverty rate was more than 20 percent for both blacks (26 percent) and Hispanics (24 percent; DeNavas-Walt and Proctor 2015; U.S. Census Bureau 2014).

**THE FEMINIZATION OF POVERTY**

A central issue in the study of poverty is the degree to which women and children are overrepresented among the poor (Abercrombie and Hastings 2016). In 2014, 15 percent of U.S. women were below the poverty line, whereas only 12 percent of men lived in poverty (U.S. Census Bureau 2015). Poverty levels vary by age: Women between the ages of 45 and 64 are less likely to be poor than are those 18 and below and 65 and above. Female poverty levels also vary based on race and ethnicity: Both black and Latino women are more than twice as likely to be poor as are white women. Also, as noted previously, female-headed households with no husband present have far higher rates of poverty than do families headed by married couples.

The **feminization of poverty**, first framed as a concept in 1978, means that those living in poverty are more likely to be women than men.
Although in recent years the improved position of women in the work world, and increases in women’s earnings, would seem to indicate that the poverty gap is narrowing, the gender gap persists (McLanahan and Kelly 1999). One of the reasons for that persistence is the fact that the trend toward gender wage equalization has been more than offset by the increasing tendency for a greater proportion of men to raise their earnings through “overwork”—that is, by working more than 50 hours per week (Cha and Weeden 2014).

A variety of demographic factors and changes help explain the feminization of poverty:

- Women are more likely than men to live alone; single women marry later than single men, divorced women are less likely to remarry than are divorced men, and women have longer life spans than men.
- Women have lower average earnings than men do. More children are being born to unmarried women, who tend to earn less than married women and who are more likely to be fully responsible for dependents.

Economically, women suffer from a variety of disadvantages. Historically, males were considered to be the main breadwinners, and women, if they worked, were thought of as secondary earners. Women today exist in a sex-segregated labor force in which the best and highest-paying positions go largely to men. The subordinate economic position of women is reinforced by the systematic wage discrimination practiced against them. They are routinely paid less than men, even for the same work. In regard to income, women are also adversely affected by the fact that they are more likely than men to work part-time, to hold temporary jobs, or to work at home (Presser 2005). Female workers have gained some ground in recent years: They earned about 61 percent of male earnings in 1960 but 79 percent in 2014 (DeNavas-Walt and Proctor 2015), in part because of stagnation in male earnings. In spite of the improvement, the gender gap in earnings persists to this day (see Figure 7.6).
SOCIAL MOBILITY

Those who live in poverty are understandably eager to improve their lot. However, virtually everyone in a stratified system is concerned about social mobility (Hout, 2015; van Leeuwen and Maas 2010), or the ability or inability to change one’s position in the hierarchy. Upward mobility, the ability to move higher (Kupfer 2012; Miles, Savage, and Bühlmann 2011), is obviously of great personal concern to many Americans. In addition, the possibility of such mobility for most is what lends legitimacy to the U.S. stratification system, indeed the entire U.S. economic system (Leventoglu 2014). Recent research has shown that people throughout the stratification system greatly overestimate the amount of upward mobility in U.S. society, although such overestimation is greater among those who rank lower in the system (Kraus, Davidai, and Nussbaum 2015). The poor tend to end up in about the same place in the stratification system as where they started; they have little upward mobility (Alexander, Entwisle, and Olson 2014).

People in all social classes are also concerned about downward mobility (Wilson, Roscigno, and Huffman 2013). That is, people worry about descending to lower levels within their social class or to lower classes. Downward mobility causes people real hardships, and even its mere possibility is a great cause of concern. Immigrants and refugees who move to a new country almost always experience serious difficulties, such as language differences (Guo 2013), and as a result, they are likely to experience downward mobility during the first generation in their new locale. This is especially true of those who held high-level occupations in their countries of origin (Gans 2009). Given the current economic problems in the United States and Europe, it is likely that many people will experience downward mobility relative to their parents’ status.
ASK YOURSELF

Why should the public be concerned about the prospect that young people today will be less well off in the future than their elders? What negative effects could this future reality have on social institutions, such as schools, workplaces, and industries like banking and real estate? Would it be likely to have any positive effects, perhaps on consumerism or the natural environment? How might it affect the world standing of the United States as a society? Explain your answers.

TYPES OF SOCIAL MOBILITY

To this point, we have discussed upward and downward mobility, but there are a number of other types of social mobility as well. Upward and downward mobility are the key components of the general process of vertical mobility. Also of interest is horizontal mobility, or movement within one’s social class. For example, the chief executive officer (CEO) of a given corporation may experience horizontal mobility by becoming the CEO of a different corporation. At the other end of the spectrum, the taxi driver who becomes a driver for Uber also exhibits horizontal mobility (Ultee 2007).

Sociologists are also concerned about two other types of mobility. One is intergenerational mobility, or the difference between the parents’ position in the stratification system and the positions achieved by their children (Corak 2013; Park and Myers 2010). Children who rise higher in the stratification system than their parents have experienced upward intergenerational mobility. Those who descend to a lower position on the ladder have experienced downward intergenerational mobility. Chetty et al. (2014) found that children today have about the same chance of upward mobility as did children born in 1970.

Intergenerational mobility involves movement up or down the stratification system in one’s lifetime. It is possible for some to start their adult lives in the lower class and to move up over the years to a higher social class. However, it is also possible to start out in the upper class and to slide down the stratification ladder to a lower class in the course of one’s lifetime (Corak, Lindquist, and Mazumder 2014).

Much of the concern about mobility relates to the work that people do or the occupations they hold. All the previously discussed types of mobility are concerned with individual mobility. **Structural mobility** describes the effects of changes in the larger society on the positions of individuals in the stratification system, especially the occupational structure (Gilbert and Kahl 1993; Miller 2001). For example, China under communism offered people little mobility of any type. Now that China has a booming capitalist economy, the country has experienced a vast increase in structural mobility, because many more higher-level positions (especially occupations) are now available (Lui 2014; Vogel 2011). Millions have moved out of the peasantry and into an expanding hierarchy of nonagricultural occupations and thus higher social positions.

ACHIEVEMENT AND ASCRIPTION

Thus far, we have been describing a system of social stratification defined by status, power, and class—especially economic class. This, however, is but one type of stratification system. A chief characteristic of this system is the idea that social positions are based on achievement, or the accomplishments—the merit—of the individual. For example, a person becomes a physician, and thereby attains a high-level position in the stratification system, only after many years of education, hard work, and practical experience. Conversely, some people believe that a person at or near the bottom of the stratification system is there because he or she lacks the necessary accomplishments. These people might suggest that a homeless person is homeless because that individual has not worked hard enough to earn a living wage. The idea that achievement determines social class is accurate to some extent, but the fact is that where a person ends up in the stratification system may have little or nothing to do with achievement. Instead, it can be explained by external factors over which the individual has little control.

A person’s status usually has a great deal to do with ascription, or being born with, or inheriting, certain characteristics such as race, gender, wealth, and high status (or, conversely, poverty and low status; Bond 2012). Thus, a person’s position in the social hierarchy may be due to nothing more than
the accident of being born a man or a woman, or black or white. At the extremes, ascribed status has little or nothing to do with a person’s accomplishments, skills, or abilities.

THEORIES OF SOCIAL STRATIFICATION

Within the sociology of social stratification, the dominant theoretical approaches are structural-functional theory and conflict/critical theory. Also to be discussed here are interactionist theories of stratification.

As in all areas of the social world, different theories focus on different aspects of social stratification. Instead of choosing one theory over another, it may make more sense to use all of them. Structural-functional and conflict/critical theories tell us much about the macro structures of stratification, while interactionist theories offer great detail about what goes on within those structures at the micro levels.

STRUCTURAL/FUNCTIONAL THEORIES

Within structural-functional theory, it is structural-functionalism that offers the most important—and controversial—theory of stratification. It argues that all societies are, and have been, stratified. Further, the theory contends that societies need a system of stratification in order to exist and to function properly (Davis and Moore 1945). Stratification is needed, first, to ensure that people are motivated to occupy the less pleasant, more difficult, and more important positions in society. Second, stratification is needed to ensure that people with the right abilities and talents find their way into the appropriate positions. In other words, society needs a good fit between people and the requirements of the positions they occupy.

The structural-functional theory of stratification assumes that higher-level occupations, such as physician and lawyer, are more important to society than such lower-level occupations as laborer and janitor. The higher-level positions are also seen as being harder to fill because of the difficulties and unpleasantness associated with them. For example, both physicians and lawyers require many years of rigorous and expensive education. Physicians are required to deal with blood, human organs, and death; lawyers have to defend those who have committed heinous crimes. It is argued that in order to motivate enough people to occupy such positions, greater rewards, such as prestige, sufficient leisure, and especially large amounts of money, need to be associated with them. The implication is that without these high rewards, high-level positions would remain understaffed or unfilled. As a result, structural-functionalists see the stratification system as functional for the larger society. In this case, it provides the physicians and lawyers needed by society.

CONFLICT/Critical THEORIES

Conflict/critical theories tend to take a jaundiced view of stratified social structures because they involve and promote inequality. These theories are especially critical of the structural-functional perspective and its view that stratification is functional for society. Conflict/critical theories take a hard look at who benefits from the existing stratification system and how those benefits are perpetuated.

ASK YOURSELF

Do you agree with the structural-functional perspective that stratification provides an important function for society? Or do you believe, as conflict/critical theorists do, that stratification exists to perpetuate benefits for the elite and expand their control? Justify your choice.

Social Rewards and Status

Conflict theorists ridicule the idea that higher-level positions in the social structure would go unfilled were it not for the greater rewards they offer (Huaco 1966; Tumin 1953). They ask, for example, whether higher-level positions in the stratification system are less pleasant than those at the lower end of the continuum. Is being a surgeon really less pleasant than being a garbage collector? The argument being made by structural-functionalists seems preposterous to conflict theorists and to many others.

Conflict theorists accept the idea that higher-level positions, such as being a lawyer, may be more difficult than lower-level positions, such as being a
garbage collector. However, they wonder whether higher-level positions are always more important. Garbage collectors, after all, are important to society because they help prevent the spread of diseases that could develop if waste were left to accumulate.

Conflict theorists also criticize the idea that those at the upper levels of the stratification system require the large rewards offered to them. Many people would be motivated to occupy such positions as CEO of a multinational corporation or hedge fund manager without such extraordinary rewards. Fewer economic rewards for those at the top, and more for those on the bottom, would reduce the economic gap and make for a more equal society. Conflict theorists also argue that providing huge sums of money is not the only way to motivate people to pursue an advanced education or whatever else is necessary to occupy high-ranking positions. For example, the status or prestige associated with those positions would be a strong motivator, as would the power that comes with them.

Gender, Race, and Class

Operating from another variant of conflict/critical theory, feminist theorists tend to focus on the issue of stratification in the work world. Because men owned the means of production in the development of capitalism, they gained positions of great power and prestige that yielded major economic rewards (Hartmann 1979). Women, by contrast, were relegated to subordinate positions. Over the years, women’s position in the U.S. stratification system has improved with the entrance of more women into the workforce and greater legal protections against workplace gender discrimination. There are now many more women in such high-ranking positions as executive, physician, and lawyer. Yet, compared with men overall, women still occupy a subordinate position in the stratification system. They can also find it harder to rise very high in that system.

Further, while males have been advantaged by their ability to engage in overwork and earn extra income (see above), females, especially in male-dominated occupations, are likely to be disadvantaged, and even forced to leave the labor force entirely, because of excessive work-related demands (Cha 2013). While the occupational situation for women has improved in recent years, the occupational world remains segregated on the basis of gender (Gauchat, Kelly, and Wallace 2012). For example, women face a “motherhood penalty” (Budig, Misra, and Boeckman 2012, 2016) in the workplace that limits upward mobility among women with children. Mothers seeking jobs are less likely to be hired, are offered lower salaries, and are seen by others as less committed to the workplace. Illustrating how pervasive this penalty is, the wage gap between women without children and mothers is greater than the wage gap between men and women (Boushey 2008; Hausmann, Ganguli, and Viarengo 2009). Even women at the highest levels of the corporate world continue to face barriers unique to their gender. Recent research finds that women tend to boast less about their accomplishments and to give themselves lower self-ratings than do men. This internalized modesty about work performance contributes to lower upward mobility over and above external factors such as the glass ceiling (Smith and Huntoon 2014).

Critical theorists focus on the control that those in the upper levels of the stratification system exercise over culture (Kellner and Lewis 2007; Lash and Lury 2007). Elites are seen as controlling such important aspects of culture as television and movies, and as seeking to exert increasing control
over the internet and such major social networking sites as Facebook and Twitter. Elites use the media to send the kinds of messages that further their control. Furthermore, the amount of time that those lower in the stratification system are led to devote to TV, video games, movies, and the internet is so great that they have little time to mobilize and oppose, let alone overthrow, those in power.

INTER/ACTIONIST THEORIES
From an inter/actionist theory perspective, social stratification is not a function of macro-level structures but of micro-level, individual actions and interactions. While both structural:functional and conflict/critical theorists see stratification as a hierarchical structure, inter/actionists see it as much more of a process or a set of processes. As a process, stratification involves interactions among people in different positions. Those who occupy higher-level positions may try to exert power in their interactions with those below them, but the latter can, and usually do, contest such exertions of power.

To the symbolic interactionist, inequality ultimately depends on face-to-face interaction. It is what happens in face-to-face interaction that leads to inequality. One symbolic interactionist approach identifies four processes that produce and reproduce inequality (Schwalbe et al. 2000). First, the dominant group defines the subordinate group into existence. Second, once in existence, the subordinate group finds ways of adapting to its situation. Third, efforts are made to maintain the boundaries between the two groups. Finally, both groups must manage the emotions associated with their positions in the stratification system. For example, those at the top must not show too much sympathy for those below them, and those at the bottom must not display too much anger toward those above them.

Ethnomethodologists note that people may exist within a stratified structure, but what really matters is what they do within such a structure. As in other aspects of the social world, people use commonsense procedures to operate and make their way in such structures. These procedures are used by elites and the downtrodden alike to “do” their positions in the system. For example, elite members of society are likely to carry themselves with authority and self-importance. In contrast, those at the bottom rungs of the stratification system are more likely to appear overburdened and to slouch throughout the day. In other words, one of the ways in which people do stratification is through their body language.

CONSUMPTION AND SOCIAL STRATIFICATION
Much of this chapter relates to issues of production and work, but social stratification is also related to consumption in various ways. For one thing, different positions in the stratification system involve differences in consumption. Most obviously, those in the upper classes are able to afford to consume products (such as yachts, Maserati automobiles, and Dom Pérignon champagne) and services (such as those provided by maids, chefs, and chauffeurs) that those in the middle and especially the lower classes cannot even contemplate. For another, the nature of consumption itself forms a stratification system. The consumption of certain sorts of things accords a higher position than does consumption of other kinds of things.

Kim Kardashian West epitomized the concept of conspicuous consumption when she carried a Hermès bag worth $120,000 to a casual lunch.
Lack of access to safe and affordable housing is a serious problem in the United States, especially for poor families who are forced into the private rental market. Though many of us might assume that these families live in public or government-subsidized housing, most (67 percent) receive no federal assistance (Desmond 2016, 303). Matthew Desmond lived in a trailer park on the south side of Milwaukee and a rooming house on the north side of the city to better understand the relationship between renters who live at or below the poverty line and their landlords. He discovered that landlords can make a substantial profit from impoverished renters. Landlords hold considerable power over their poor tenants, charging them high rents for properties that have broken toilets or are infested with cockroaches. Tenants are reluctant to complain, because they fear that if they do, they will then be evicted. Even if they do not complain, millions of families across the country are evicted every year because they do not have enough income to make their rent payments on time.

Once a person is evicted, it can be difficult to find a new place to live; many landlords refuse to rent to someone with an eviction record, deeming it too risky.

The feminization of poverty is evident in Desmond’s study: Women of color and their children are most likely to be evicted. But they are not alone. Whites, the elderly, widowers, the physically and mentally disabled, and those addicted to opioids join their ranks. Many of these poor renters spend up to 70 or 80 percent of their income on housing, so they have little left for food, clothing, or utilities. The few personal possessions they do own are often lost when they are evicted—unless they can afford to put them in storage until they find new housing. In terms of stratified consumption, Desmond describes how landlords judge their tenants in terms of their personal possessions. If a tenant who is behind on her rent buys herself a new pair of shoes, the landlord might feel slighted and demand that the rent be paid immediately or threaten eviction. Tenants, however, also judge their landlords this way. A landlord who drives around in an expensive truck or wears what tenants consider to be too much jewelry might be viewed as greedy and not in need of rent payments. Yet landlords can also be generous, purchasing groceries for their tenants or letting them miss rent payments for a few months. This generosity, however, is mitigated by tenants’ enduring substandard housing, living in dangerous neighborhoods, and, most important, eventually paying their late rent. In sum, impoverished renters suffer from a variety of injustices because of a lack of affordable, quality housing in the United States.

**Supplementary Resources**

STRATIFIED CONSUMPTION

Fashion is a good example of a stratified form of consumption. Georg Simmel ([1904] 1971) argued that those in higher levels of the stratification system continually seek to distinguish their consumption from that of those below them. This is evident in the realm of fashion, where the elites adopt new fashions, thereby displaying that they can afford the latest styles. However, elites soon find that those below them have copied their fashions with cheaper, if not cheap, imitations. Thus, fashion, as well as other choices by elites, has a tendency to “trickle down” the social stratification ladder to the middle and eventually the lower classes. To distinguish themselves from the masses, elites must continually move on to new and different fashions. This phenomenon most obviously applies to fashions in clothing, but there are fashions in many other things as well, such as cars, homes, vacations, and even ideas.

Simmel’s contemporary Thorstein Veblen ([1899] 1994) also theorized about stratification and consumption. In Veblen’s view, the elite members of society want to be “conspicuous.” In the past, they had been conspicuous about their accomplishments in the work world, but over time, these feats became less and less visible as they came to be concealed by the walls of factories and office buildings. As a result, elites shifted more toward conspicuous consumption, wanting others to see what they were able to consume, especially things that served to differentiate them from those in lower social classes (see Chapter 2). Thus, their money came to be invested in mansions, fancy furnishings, fine riding horses, expensive automobiles, designer dresses, and exquisite jewelry, because such things can easily be seen and admired by others.

ASK YOURSELF

Do you think Simmel’s concept of trickle-down fashion or Veblen’s notion of conspicuous consumption is a more accurate description of the relationship between consumption and social stratification? Why? Can you provide examples to support your answer?

SOCIAL CLASS AND TASTE

A person’s taste in consumption also helps indicate the social class to which that person belongs. For example, if you read the New York Times, you are likely to be classified as being in the middle or upper class. However, if you read USA Today or don’t follow the news at all, you would be classified by most as standing lower in the stratification system. While taste can be demonstrated in the purchase and display of expensive consumer goods, it also can be shown much more subtly in the way one talks, the kind of music one listens to, and the books one reads. Good taste in these and other areas demonstrates and enhances the position of elite members of society. It supposedly shows that they have good breeding, come from a good family, and have a good education, and especially that they value things according to their merit and not simply because of how much they cost. Those without such taste, who have a taste for the necessary rather than the good taste of elites, are likely to be relegated to the lower reaches of the stratification system (Bourdieu 1984; Prior 2011).

A more contemporary sociologist, Pierre Bourdieu (1930–2002; 1984), argued that the desire for distinction, or the need to distinguish oneself from others, motivates the consumption and leisure habits of elites. In particular, elites seek to distinguish themselves from others by their good taste.

Distinction and taste are closely related to struggles for power and position within the stratification system. On the one hand, elites use culture to obtain and maintain their position. They might do this by focusing on high culture, such as opera or art (see Chapter 3). Such taste helps elites gain high-level positions in the stratification system and makes those below them accept their lesser positions in that system. Even those from the lower classes who manage to acquire considerable wealth are often not likely to have or to develop the level of cultural sophistication needed to appreciate something like ballet.

The idea of cultural omnivores (Katz-Gerro and Jaeger 2013; Peterson and Kern 1996) offers a very different view of the relationship among social class, consumption, and taste. From this perspective, elites are not seen as refined and exclusive in their tastes, but as having very diverse tastes, ranging from those that are highly refined to those that are unrefined, even coarse. Their tastes are not exclusive but rather wide-ranging and inclusive. Thus, elites might attend both the opera and kickboxing
matches, and they might buy both opera arias and country and western music from iTunes. In contrast, those in lower classes have been seen as having more limited tastes, which might be more oriented toward kickboxing and country and western music; in other words, those in the lower classes are less likely to be omnivores.

**GLOBAL STRATIFICATION**

So far, this chapter has focused on social stratification in the United States. In this section, we shift to the global level to understand how wealth, income, status, and power are distributed unevenly throughout the world. As is clear in the theories of Immanuel Wallerstein (1974), to be discussed later in this chapter, nations of the world form a stratified system. At the top are those that tend to be better off economically, to wield great power in many parts of the world, and to be looked up to around the globe. Conversely, the nations at the bottom of the global stratification system are likely to be very poor, to have little power outside (and perhaps even inside) their borders, and to be looked down upon by many throughout the world. Global stratification is a macro-level phenomenon that has profound effects at the micro level of individuals and their relationships and opportunities.

**POSITIONS IN GLOBAL STRATIFICATION**

The **Global North and South**

Stratification on the global level is often seen as a divide between those nation-states located in the Northern Hemisphere (more specifically, the north temperate climate zone), or the Global North, and those located in the tropics and Southern Hemisphere, or the Global South (Williams, Meth, and Willis 2014). For centuries, the North has dominated, controlled, exploited, and oppressed the South. Today the North encompasses the nations that are the wealthiest and most powerful, and that have the highest status in the world, such as the United States, China, Germany, France, Great Britain, and Japan. The South, on the other hand, has a disproportionate number of nations that rank at or near the bottom in terms of global wealth, power, and prestige. Most of the nations of Africa and South America would be included here, as well as others, especially in Asia, such as Yemen.

A society’s position in the global stratification system greatly affects the stratification within that society. A nation that stands at or near the top of the global stratification system, such as the United States, has a large proportion of middle- and upper-class positions. In contrast, a low-ranking nation, such as Somalia, is dominated by lower-class positions and the poverty associated with them. While the terms **Global North** and **Global South** are widely used to describe positions within the global hierarchy, they do not always clearly relate to positions on the world map. For example, Australia is in the Southern Hemisphere, but is clearly part of the Global North economically. Similarly, there are several very poor countries (e.g., Afghanistan) in the Northern Hemisphere that are economically part of the Global South.

---

1 Paul Dean coauthored this part of the chapter.
High-, Middle-, and Low-Income Countries

The wide variation among and between countries is hidden when they are simply categorized as part of either the Global North or the Global South. For example, countries in the same category may have more or less inequality. The United States and France are generally placed in the same category (Global North, high income), but the United States has a greater percentage of people at the bottom of the stratification system living in poverty. Similarly, Vietnam and Nigeria are in the same category (Global South, middle income), but Nigeria has a larger number of wealthy elites than does Vietnam. In other words, the level of income inequality within Nigeria is far greater than that in Vietnam. Argentina has a high standard of living compared with the immense poverty found in many African countries, such as Sudan. However, both countries are considered to be part of the Global South. The Global North–South dichotomy ignores many of the important economic (and political) differences between nations within each category.

A slightly more nuanced category system focuses on low-income, middle-income, and high-income economies (and their countries; see Figure 7.7; Ferrarini and Nelson, 2016). As a general rule, low-income countries are concentrated in the Global South, while high-income countries are found in the Global North. Middle-income countries exist in both parts of the world, but a disproportionate number of them are in the Global South.

**High-income economies** exist in countries with the highest incomes in the world. Countries with gross national income (GNI) per capita of $12,476 are in this category (World Bank 2015a). Currently, 79 countries have GNI that high or higher. As a result, they occupy lofty positions in the global hierarchy. They include countries long considered part of the Global North. However, they also include countries that are traditionally thought of as part of the Global South, including Chile and Uruguay (South America), Equatorial Guinea (Central Africa), and Oman (Middle East). Some of these countries have been considered to have high-income economies since the Industrial Revolution, while others (e.g., Japan) have industrialized—and grown wealthy—more recently. Still other high-income countries are not yet highly industrialized but derive their income from natural resources such as oil (e.g., Equatorial Guinea and Oman).

**Figure 7.7 • High-Income, Middle-Income, and Low-Income Economies**

![High-Income, Middle-Income, and Low-Income Economies](image)

**SOURCE:** Data from World Bank, “Country and Lending Groups,” 2016.
Middle-income economies are found in countries that have average levels of income on a global level. Countries are placed in this category if they have a GNI per capita between $1,026 and $12,475. This encompasses a significant range that begins at or near the bottom of per capita income, with the Kyrgyz Republic in central Asia (average GNI of $1,200 per capita), and includes Sudan (Africa), Nicaragua (Central America), and Vietnam (Asia). Toward the top of this range are upper-middle-income countries including Argentina and Brazil (South America), Cuba (Central America), South Africa, and Thailand (Asia). The World Bank considers 108 countries to be in the middle-income category. Many countries in this range, such as China (and most of Asia), began industrializing relatively recently (the 1970s or later). Other middle-income countries were formerly communist countries. They were highly, albeit primitively, industrialized, but they declined industrially and economically after the collapse of the Soviet Union in the late 1980s.

Low-income economies are in countries that are home to many of the world’s poorest people, have very little of the world’s wealth, and are largely agrarian societies with low levels of industry. The World Bank counts 31 low-income countries with GNI per capita below $1,025. They include many of the countries in sub-Saharan Africa, North Korea, Afghanistan, and Haiti (Caribbean). People in these countries are much more likely to experience disease, hunger, and malnutrition and have a lower life expectancy. Increasingly, they are moving into densely populated cities in search of economic opportunities, only to find themselves in very crowded and unsafe living conditions.

The Global Concentration of Wealth
There is certainly great inequality between the North and the South, or between high-income and low-income countries, but a focus on such relationships tends to obscure the full extent of global inequality. A recent report by the global charity Oxfam offers a stunning picture of the concentration of wealth in the world (Hardoon 2015): As of 2015, the richest 1 percent of people in world owned 50 percent of the wealth. That left only exactly half—50 percent—for the other 99 percent of the world’s population. Furthermore, Oxfam has projected that the top 1 percent may soon have more wealth than everyone else in the world combined. The 62 richest people in the world (among the top are four U.S. men, Bill Gates, Warren Buffett, Jeff Bezos, and Mark Zuckerberg) are worth $1.76 trillion, about the same as the poorest 3.6 billion people in the world combined.

Also worth considering is the broader category that includes the world’s poorest people—the “bottom billion” of global residents (Murphy and Walsh 2014). The vast majority (70 percent) of the people in the bottom billion are in Africa.

Wherever they live, the bottom billion have not only low incomes but also many other serious problems, such as

- A low life expectancy of about 50 years
- A high infant mortality rate
- A higher likelihood of malnourishment

While social stratification involves the relative positions of people within a society, global stratification demonstrates that widespread poverty and lack of opportunity can leave an entire nation near the bottom of the global pecking order. This boy is on his way to collect water in an encampment in Madagascar.
GLOBAL ECONOMIC INEQUALITIES

The Global Digital Divide

According to the most recent statistics, there were about 3.5 billion internet users worldwide at the end of 2016, and that number will certainly continue to grow (www.statista.com/statistics/273018/number-of-internet-users-worldwide). At least theoretically, the internet allows for participation by anyone, anywhere in the global, digital economy. However, in reality there is a daunting and persistent global digital divide (Drori 2006, 2012; Pick and Sarkar 2015). The International Telecommunications Union found that the percentages of individuals using the internet in 2016 remained very low in many low-income countries in the Global South, such as Ethiopia (4 percent), Iraq (13 percent), and Haiti (12 percent). Compare these figures with the Global North where internet usage is usually above 80 percent, including in the United States (89 percent), Australia (85 percent), and Sweden (93 percent). Figure 7.8 shows the difference in internet access between households in the Global North and the Global South.

The main barrier to global equality in access to, and use of, the internet, and information and communications technology (ICT) more generally, is the lack of infrastructure within the less developed countries of the Global South. Also important are the low incomes in those areas that make complex digital technologies prohibitively expensive (Wakefield 2013). Language represents another source of inequality on the internet. Most websites are in English, and increasingly in Chinese, as well as eight other languages; comparatively few sites are in the world’s other languages (Bowen 2001; EnglishEnglish.com n.d.). Clearly, those who do not speak any of these 10 languages—the overwhelming majority of whom live in the Global South—are at a huge disadvantage on the internet.

However, there are signs that the digital divide is being reduced. This was clear, for example, in the wide-scale use of social media during the 2010–2011 Arab Spring revolutions in Tunisia, Libya, and especially Egypt. More recently, the narrowing of the digital divide has been evidenced by the adept use of the internet by the terrorist organization calling itself the Islamic State of Iraq and Syria (ISIS) to, for example, disseminate video of people being beheaded and, in 2015, being burned alive in cages. ISIS is also adept at using social media to recruit supporters throughout the world (Shane and Hubbard 2014). The United States has struck back by using social media to lure people away from ISIS (Cooper 2016).

**FIGURE 7.8 • Percentage of Households with Internet Access by Level of Development, 2002–2016**

![Graph showing percentage of households with internet access by level of development from 2002 to 2016. The developed world starts at 83.8% and the developing world at 41.1%. The developed world shows a steady increase, while the developing world shows a more gradual increase.](https://example.com/graph7.8.png)

The digital divide is beginning to be bridged by the rising accessibility of relatively simple and inexpensive smartphones, laptops, and tablets that are essentially minicomputers. An important reason for the rapid expansion of mobile access is that mobile devices are not only relatively inexpensive, but they also do not require the expensive, hardwired infrastructure needed by traditional computers and computer systems. Cellular signals provide internet access at increasingly high speeds. Some nations have avoided having to build fixed phone line systems by moving straight to mobile phone technology.

**Global Health Inequality**

While globalization has been associated with increased aggregate life expectancy throughout the world, it also has tended to widen global disparities in life span and in health (Vogli et al. 2014; Winchester 2016; see also Chapter 13). For example, Johns, Cowling, and Gakidou (2013) found that the widening gap between the world’s rich and poor is continuing to increase differences in life expectancy. According to the World Health Organization (2016), the average life expectancy of newborns in high-income countries is at least 80 years old. In contrast, newborns in sub-Saharan African countries will live less than 60 years on average. Economic inequality drives many of these health disparities.

Those in poor nations tend to have poorer health as a result of limited access to health services, education, sanitation, adequate nutrition, and housing. In turn, the poor health of residents tends to limit economic growth in those nations mainly by adversely affecting productivity. The Global South has a disproportionate share of mortality and morbidity, much of which could be prevented inexpensively and treated effectively if the money were available to do so. Of the total burden of disease in the world, 90 percent is concentrated in low- and middle-income countries, which account for only 10 percent of health care expenditures. Furthermore, the Global South has lower levels of education, which lessens the likelihood of residents’ knowing about preventive strategies and obtaining knowledge about how to control their own health (Rinaldo and Ferraro 2012).

Countries in the Global South also suffer disproportionately from hunger and malnutrition (Serra-Majem and Ngo 2012). Recent political catastrophes have led to hunger crises in 2016 in Syria, the Ukraine, Chad, Mali, the Central African Republic, and South Sudan, among others. Environmental crises such as droughts and hurricanes are other major causes of people going hungry. Hunger involves inadequate or almost totally unavailable food supplies and a lack of assured and continual access to food, as well as poor and unbalanced diets. These problems are especially important for children, who are likely to die young from malnutrition. Poor nutrition causes nearly half of all child deaths in the world (Reuters 2016a). Furthermore, those children who survive, even though their growth is stunted because of a lack of food, are likely to be less physically and intellectually productive when they become adults, and to suffer more chronic illnesses and disabilities. This pattern carries on intergenerationally, as the ability of such adults to provide adequate nutrition for their children is compromised.

To complicate matters, there is a dramatic increase in obesity among other segments of the poor in the Global South (Global Nutrition Report 2016; McNeil Jr. 2016). It is estimated that there are 41 million overweight children under five years of age in the world today, an increase of 10 million from 1990 (Reuters 2016a). Those in the Global South therefore now increasingly likely to suffer from a “double nutritional burden”—that is, some do not have enough to eat, and others eat too much, especially the wrong kinds of foods (e.g., foods that are high in fat and cholesterol).

Finally, poor countries are less likely to provide extensive health care for their populations. Low-income countries tend to have fewer hospitals, less capacity for research on health and disease, and fewer people covered by medical insurance programs. These problems can be addressed through economic growth when national governments prioritize spending on health care.

It is worth noting that a society’s wealth does not always correspond to health coverage or better health outcomes. For example, the United States spends the most in the world on health care, but it ranks significantly lower than other high-income countries on a number of public health indicators. Compared with their counterparts in other high-income countries, Americans tend to live shorter lives, to be more likely to experience violent deaths, to be more likely to be obese, and to have
and clerical workers and in elementary occupations, such as agriculture and manufacturing (United Nations Department of Economic and Social Affairs 2015a). They are likely to work as teachers and university professors, as nurses and doctors in public hospitals, and as workers and administrators in government offices (Moghadam 1999). Women have also made inroads in professional services such as law, banking, accounting, computing, and architecture.

However, according to the World Bank, women earn less and participate in the labor force less than men. Globally, Gallup polling finds that men are twice as likely as women to have full-time jobs. The wage gap found in the United States is also a global phenomenon, and the gap is especially large in the Middle East and in North Africa. Mothers’ wages are lower than fathers’ in many countries (Misra and Strader 2013). The historical belief persists that fathers are supporting entire families (and thus need a higher wage) and mothers are not. Despite the gains made by women, high-pay and high-status occupations continue to be dominated by men in both the Global North and the Global South. Even in countries such as the United States and those in Western Europe, men still have easier access to, and therefore hold a much larger percentage of, professional and managerial jobs.

At the same time that some women are finding success in the paid labor force, others are being limited by the nature of their arrangements with employers. Women are more likely than men to have informal jobs (Limoncelli, forthcoming). Informal employment, which has increased in many countries, includes temporary work without fixed employers, paid employment from home, domestic work for households (de Regt 2009), and industrial work for subcontractors. Informal sectors are characterized by low pay and a lack of secure contracts, worker benefits, and social protections. Workers in the informal economy do not have wage agreements, employment contracts, regular working hours, or health insurance.
or unemployment benefits (Kabeer, Sudarshan, and Milward 2013). They often earn below legal minimum wage and may not be paid on time. While greater informal employment characterizes the entire labor force globally, women and men are concentrated in different types of informal work (Vanek et al. 2014). Men are concentrated mainly in informal wage-based jobs and agricultural employment, while women are typically concentrated in nonagricultural employment, domestic work, and unpaid work in family enterprises. Compared with men’s informal employment, women’s employment is much more likely to have lower hourly wages and less stability. To reduce labor costs, most multinational corporations establish subcontracting networks, with local manufacturers employing low-paid workers, mostly women, who can be laid off quickly and easily. In these production networks, women are more likely to work in small workshops or from home. Many women accept the lower wages and less formal working arrangements of home-based work in order to be able to continue to carry out household responsibilities.

Another form of global gender inequality occurs within families through caregiving work. As men and women from low-income countries migrate to find better-paying jobs, women especially find employment in domestic work. Arlie Hochschild (2000) argues that the migration of domestic workers creates global care chains that involve a series of personal relationships between people across the globe based on the paid or unpaid work of caring (Yeates 2012). Care includes social, health, and sexual care services, and usually involves menial tasks such as cooking, cleaning, and ironing. In global care chains, women supply their own care labor to their employers while consuming other women’s care labor, both paid and unpaid. Thus, instead of care chains, it might be better to think of this as “care circulation” (Lutz and Palenga-Mollenbeck 2016). Migrant domestic workers often rely on female relatives, neighbors, and daughters as well as paid domestic workers for the care of their children back in their home countries. For example, while a mother works as a nanny in a high-income country, her young children may be cared for by an older daughter or by a nanny who migrated from a middle- or low-income country. For example, affluent Kuwaitis hire female domestic workers from relatively poor countries, including the Philippines, Sri Lanka, Nepal, and Indonesia (Fahim 2010). Attracted to Kuwait by higher wages than they could earn elsewhere, these workers can send large sums of money home, but power relations between them and their employers are starkly...
unequal (Fernandez 2010). In this sense, women's labor force participation does not necessarily result in a change in traditional gender roles, but rather in the greater exploitation of immigrant women by middle- and upper-class women.

**CHANGING POSITIONS IN GLOBAL STRATIFICATION**

Despite the several forms of global inequality discussed previously, it is possible for countries to develop economically and change their positions within the global stratification system. This section examines the risky strategy of a race to the bottom in offering cheap labor, the importance of industrial upgrading, and the controversial use of foreign aid as a means of development.

**Race to the Bottom**

Those countries that rank low in the global stratification system often have to engage in a so-called economic race to the bottom in order to have a chance of eventually moving up the global hierarchy. The basic method is to offer lower prices than the competition—usually other low-ranking countries. Such nations may lower prices by reducing costs, which they do by offering their citizens lower wages, poorer working conditions, longer hours, ever-escalating pressure and demands, and so on. Figure 7.10 shows wage disparities among countries; pay special attention to the disparities between the Global North and South. An especially desperate nation will go further than the others to reduce wages and worsen working conditions in order to lower costs and attract the interest and investments of multinational corporations. However, the “winning” low-income nation remains a favorite of the multinationals only until it is undercut by another low-ranking country eager for jobs.

**ASK YOURSELF**

What could the Global North do to reduce other countries’ need to engage in the race to the bottom? Why have such efforts so far been few and generally ineffective? How would slowing or even ending the race to the bottom affect the trend toward consumerism in the countries of the Global North?

In actuality, winning the race to the bottom might mean that a country remains at or near the bottom. For example, some countries compete in the world economy by focusing on agricultural exports and by employing cheap, local labor to plant and harvest crops. As countries battle with one another by paying workers less money, they make their agricultural goods cheaper on the global market. But if these export sectors do not eventually transition to other types of goods and services, with higher wages, the countries might never lift themselves off the bottom.

**Foreign Aid and Development**

Another way in which global economic inequality can be addressed is through the use of foreign aid to improve a poor country’s position within the world economy. Foreign aid is defined as economic assistance given by countries or global institutions to a foreign country in order to promote its development and social welfare. In the form that we now know it, foreign aid began following the economic devastation of World War II with the United States’ Marshall Plan to help struggling European economies. Foreign aid has continued to expand since that time, totaling $131.6 billion in 2015, according to the Organisation for Economic Co-operation and Development (OECD 2016).

The OECD states that aid may take the form of grants or subsidized loans and must promote development and welfare. This can include funding or other resources for education, health, debt relief, social or economic infrastructure, humanitarian assistance, or other development projects. To qualify as “aid,” loans must be given with interest rates at least 25 percent below market rates. Most aid is bilateral, or given directly from one country to another. Aid can also be multilateral, where resources of many donors are pooled through a third party such as the World Bank, which then distributes the aid. The 34 members of the OECD, which include much of the Global North, provide the majority of foreign aid. Other providers of significant aid are Brazil, China, India, and the United Arab Emirates (Williams 2014). The United States is by far the largest donor.

---

Miranda Ames made significant contributions to this section.
in terms of dollars, giving more than $31 billion in foreign aid in 2015 alone. However, when measured as a percentage of gross national income, the United States gives only 0.17 percent, which is considerably short of the target of 0.7 percent set by the United Nations (OECD 2016).

Critics of foreign aid express concern about its effectiveness and the political agendas of donors and recipients. Donors often seek to promote the economic growth of nations to enhance their own economic interests, preserve access to natural resources, and benefit their political positions. Foreign aid is also frequently tied to very specific stipulations about how countries may spend it. Donor countries often provide aid for specific purposes, some of the most common of which are education, transportation and communications infrastructure, and the development of government and civil society institutions. Issues can arise concerning such stipulations when the intentions of the donor country are not in line with those of the receiving country. Causes of this can be anything from miscommunication to blatant corruption, and the end result can be the misuse or misdirection of billions of dollars. In addition, countries receiving loans may redirect their own funds toward the military.

**THEORIES OF GLOBAL STRATIFICATION**

As noted previously, the dominant theoretical approaches to social stratification are structural/functional theory and conflict/critical theory. These approaches are useful for examining social stratification not only in the United States but also globally.

**Structural/Functional Theories**

A dominant structural/functional theory of global stratification is *modernization theory*, which...
explains unequal economic distributions based on the structural (especially technological) and cultural differences between countries. According to this theory, the development of certain structures and cultural realities is essential for societies to modernize (Jacobsen 2015).

One of the thinkers best known for articulating and promoting modernization theory is Walt Rostow (1960, 1978), an economic theorist who served as an adviser to President John F. Kennedy. Rostow argued that low-income countries must abandon their traditional values and ways of life in order to improve their economic standards of living. He saw countries as progressing through four stages in a very linear path on their way to economic development:

1. **Traditional stage.** People in traditional societies have lived their lives the same way for many generations and know only the lives of their ancestors. Such societies are characterized by hardship and a lack of material comfort, conditions that they accept as inherent and inevitable features of life. With traditional values, people are encouraged to follow the paths of others in their families and communities. This acceptance of one’s position in life, and a cultural focus on family and community, does not give people the incentive to work harder, save money, and acquire more material goods.

2. **Takeoff stage.** When people in poor countries begin to abandon their traditional values, they think more ambitiously about the future. They start to save and invest, trading with others to acquire profit, and new markets are developed for these exchanges. This stage is marked by greater individualism and a growing desire for material goods, with less emphasis placed on family and community.

3. **Drive to technological maturity.** A country in this stage continues to experience economic growth with the development of more advanced industries, high levels of investment, increasing urbanization, and higher standards of living. Institutions and societal values become more oriented toward production and consumption, with individualism trumping traditional values and norms. As people demand more material comforts and gain more education, they continue to promote economic advancement.

4. **High mass consumption.** For Rostow, a country is fully modernized when large numbers of its people are able to enjoy the high standard of living associated with mass consumption and brought about by economic growth. In the mass consumption stage, people come to expect the everyday conveniences, and even luxuries, of consumer society. Absolute poverty falls significantly as people have more material comforts.

Among the critics of modernization theory, some have argued that it focuses too narrowly on economic production. Putting forth a theory of **neomodernization**, Tiryakian (1991) argues that technological and cultural differences between countries are important for explaining both economic and social development. He notes that economic modernization can come at a high cost to forms of political and social life. A thriving civic culture, in which people can meaningfully participate in political processes, is also important for a country to be considered modern. The emphasis on cultural values is, therefore, extended beyond ideas such as individualism and competition to include democratization.

**Conflict/Critical Theories**

At the global level, world-systems theory is one of the most influential conflict/critical theories used to study global stratification. **World-systems theory** focuses on the current stratification system by viewing the world as a single economic entity (Wallerstein 1974). It envisions a world divided mainly between the **core** and the **periphery**. The core includes the wealthiest industrialized countries, such as Western European countries, the United States, Australia, and Japan. The nation-states associated with the periphery are dependent on, and exploited by, the core nation-states. The periphery includes most of Africa and parts of Asia (Indonesia, Vietnam, Afghanistan), the Middle East (Iran, Syria), and South America (Peru, Bolivia). There are also a number of states in the middle, the **semiperiphery**, including much of Eastern Europe, India, China, South Africa, and Argentina.

The core has been able to benefit from the periphery in a number of ways. Core nation-states
have helped keep the countries of the periphery focused on narrow export-oriented economies rather than on developing their industrial capacity. The “race to the bottom” discussed previously benefits the core by providing the periphery’s cheap labor and helps keep profits flowing back to the core. The core can also make loans to peripheral countries, but because of the power imbalance, the core is able to dictate the terms of the loans. Currently, poor countries owe the United States and other core countries more than $4 trillion in debt, leaving them in a weak economic position relative to the core.

World-systems theory argues that we can understand an individual nation’s wealth today only by examining its current relationship to other countries. Of course, countries in the core, periphery, and semiperiphery can shift positions over time. At one time, Great Britain was the dominant core nation-state in the world, but by the time of World War II, it had been replaced by the United States. Today, the United States is slipping, and China, at one time a peripheral country, shows every sign of moving to the core.

**ASK YOURSELF**
In the context of world-systems theory, could a time come when the United States is in the semiperiphery or even the periphery? What do you think would make this result more likely? What could perhaps prevent it?

**SUMMARY**
Social stratification results in hierarchical differences and inequalities. Three important dimensions of stratification are social class, status, and power. In the money-based stratification system in the United States, wealth and income are the main determinants of social class. Since the 1970s, the United States has experienced increasing income inequality. However, the greatest economic differences in U.S. society are due to differences in wealth. People with great wealth often have high class, status, and power and can usually pass most of these advantages to future generations. Those who have little have a difficult time amassing their own wealth. The middle class in the United States has declined in recent decades, leaving a large “hole” in the stratification system between the lower and the upper classes. In the United States, the measure of absolute poverty is the poverty line, or the level of income that people are thought to need in order to survive in our society. Members of minority groups, women, and children are overrepresented among the poor.

While individuals in the United States have generally experienced intergenerational upward mobility, it seems likely that young people in the twenty-first century will experience more downward mobility. Sociologists are also concerned about structural mobility, or changes in the occupational structure.

Structural-functional theories of stratification argue that societies need a system of stratification in order to function properly. Conflict theorists challenge this assumption, particularly the idea that positions at the higher end of the stratification system are always more important. Finally, symbolic interactionists view stratification as a process or set of interactions among people in different positions.

Social stratification is related to consumption in a number of ways. Those in the higher classes can afford expensive items that those in the lower classes cannot. Elites use their patterns of consumption to distinguish themselves, sometimes conspicuously, from those beneath them.

Global stratification refers to the hierarchical differences and inequalities among countries and individuals across the world. This stratification is evident in the oppression of the Global South by the Global North, the differences among upper-, middle-, and low-income countries, and the differences between the richest and poorest people in the world. While global inequalities are highly persistent, it is possible for countries to develop economically and to change their positions within the global stratification system. The dominant structural/functional theory of global...
stratification is modernization theory, which argues that technological and cultural factors explain countries’ varying levels of economic and social development. In contrast, conflict theorists argue that rich countries oppress and exploit poor countries, thus keeping them poor.

### KEY TERMS

<table>
<thead>
<tr>
<th>Term</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>absolute poverty</td>
<td>180</td>
</tr>
<tr>
<td>achievement</td>
<td>183</td>
</tr>
<tr>
<td>ascription</td>
<td>183</td>
</tr>
<tr>
<td>distinction</td>
<td>188</td>
</tr>
<tr>
<td>feminization of poverty</td>
<td>180</td>
</tr>
<tr>
<td>foreign aid</td>
<td>196</td>
</tr>
<tr>
<td>global care chains</td>
<td>195</td>
</tr>
<tr>
<td>high-income economies</td>
<td>190</td>
</tr>
<tr>
<td>horizontal mobility</td>
<td>183</td>
</tr>
<tr>
<td>income</td>
<td>173</td>
</tr>
<tr>
<td>inequality</td>
<td>172</td>
</tr>
<tr>
<td>intergenerational mobility</td>
<td>183</td>
</tr>
<tr>
<td>intragenerational mobility</td>
<td>183</td>
</tr>
<tr>
<td>low-income economies</td>
<td>191</td>
</tr>
<tr>
<td>middle-income economies</td>
<td>191</td>
</tr>
<tr>
<td>modernization theory</td>
<td>197</td>
</tr>
<tr>
<td>neomodernization</td>
<td>198</td>
</tr>
<tr>
<td>poverty line</td>
<td>180</td>
</tr>
<tr>
<td>power</td>
<td>172</td>
</tr>
<tr>
<td>relative poverty</td>
<td>180</td>
</tr>
<tr>
<td>social class</td>
<td>170</td>
</tr>
<tr>
<td>social mobility</td>
<td>182</td>
</tr>
<tr>
<td>social stratification</td>
<td>170</td>
</tr>
<tr>
<td>structural mobility</td>
<td>183</td>
</tr>
<tr>
<td>vertical mobility</td>
<td>183</td>
</tr>
<tr>
<td>wealth</td>
<td>173</td>
</tr>
<tr>
<td>world-systems theory</td>
<td>198</td>
</tr>
</tbody>
</table>

### REVIEW QUESTIONS

1. According to Max Weber, what are the various dimensions of social stratification? What are some examples of people who rank high on each of these dimensions? Other than the examples discussed in the chapter, can you identify individuals who are status-inconsistent?
2. What is the difference between income and wealth? Which is more important to explaining the differences between the haves and the have-nots? Why?
3. How has inequality in the United States changed since the 1970s? In what ways are the explanations for these trends related to globalization?
4. What do we mean when we refer to the feminization of poverty? What factors help explain the position of women in the system of social stratification?
5. According to structural-functional theories, how is inequality beneficial to society? How can the income and wealth of celebrities and sports stars be used as a criticism of this model?
6. Compare and contrast the different ways of classifying countries in the global stratification system. What does each classification emphasize?
7. How does access to the internet and new technologies relate to the global system of stratification? How can the internet be used to alter this system?
8. How are men and women affected differently by the global economy? Do you expect these differences to change significantly in the future? Why or why not?
9. According to structural/functional theories, how is culture related to global stratification?
10. Is foreign aid an effective way of addressing global poverty? How might conflict theories explain the role of foreign aid in global stratification?
PRACTICE AND APPLY WHAT YOU’VE LEARNED

edge.sagepub.com/ritzeressentials3e

CHECK YOUR COMPREHENSION ON THE STUDY SITE WITH:

• **Diagnostic pre-tests** to identify opportunities for improvement.

• **eFlashcards** that strengthen your understanding of key terms and concepts.

• **Post-tests** to check your progress and ensure mastery of key learning objectives.

Copyright ©2019 by SAGE Publications, Inc.
This work may not be reproduced or distributed in any form or by any means without express written permission of the publisher.