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THE NEW SOCIAL CLASS SYSTEM¹

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Abstract

There are three distinct social classes in the world today. Traditional approaches to the social class structure are invalid for our understanding of social class structure today. The scientific approach to the understanding of the new social class scheme of today, covering the world population, is partly based on, and motivated by the social-techno development the last decade or so. The new social class systems covers the starving class, the desperate class and the elite class. Based on the production function and the individual persons relations to wages and profit it is possible to make a scientific approach to the modern world social class structure.

Keywords: The new social class system, starving class, desperate class, elite class, innovation, production function.

Introduction

Three distinct social classes, the Starving Class, the Desperate Class and the Elite Class, characterize the world population today. Each state of socio-economic paradigm have their own social class reduction describing the relative stringent features of their inhabitant to each other. The most common class scheme in use up to our time is the neoclassical capitalistic class hierarchy of nine distinct social classes. The last decade or so have transformed our understanding of social behavior and thereby opened up for the need of new analyses of the social class system. One of the strongest driving forces behind this need is the accelerating numbers of social entrepreneurs. Many of these individuals are transformers, not necessarily of the world or even the local community, that will eventually show later, but they have transformed the understanding of themselves as social individuals. The super-rich are looking for new investment opportunities and other wants to make significant contributions to the improvement of weaker and starving individuals. Most of these individuals try to engage themselves as social entrepreneurs in one way or another. We have also seen a shift from traditional capitalism; first building a huge capital and reap a profit and then make contributions in the third sector, to make a shortcut, by starting the social innovation and becoming a social entrepreneur right away. The analysis explains how we can understand the different strata in the world population of today².

Methods

This scientific approach for the understanding of the new social class scheme of today, covering the world population, is partly based on, and motivated by the social-techno development the last decade or so. Social class belonging is made on basis of the production function. The starving class and the desperate class is based on individuals dependency of the static production function, while the elite class is understood as independent individuals promoting dynamic development in science, culture and economy (Sandal, 2011). Both historical overview and up to date achievements in the history of social class approaches are counted for.

Innovation is one major factor in the judgement of the class definition, those who promote innovation and those who gain from the implementation of the innovation. Both the starving and the desperate classes gain from the introduction for innovations. Those individuals who run the development process represent the elite class.

This article consists of the following sections: abstract, introduction, methods, the traditional approach to social classes, the starving class, the desperate class, the elite class, conclusions and list of references.

The traditional approach to social classes

There have been different approaches to social classes throughout the history. Each approach have their own goals and objectives. Even a two-class approach like the Rich and the Poor gives us an understanding of the relationships between individuals. The feudal three steps class scheme; farmers, citizens and clergy indicates their occupations, rights and hierarchy. The neoclassic production functions indicates three different classes, the landowners, the workers and the capitalists. The Marxist three level class scheme, divided into nine levels all together is widespread; lower class, middle class, upper class, but do not explain the sociological interrelations among individuals today. A huge survey based on 161000 individuals presented by BBC in 2013

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(BBC, 2013) reveals seven different social classes in the UK, stretching from the bottom with the Precariat up to the Elite class (Sociology, 2013).

Social class approach might be based on income, wealth, living standard, education, what the person do for a living, relative formal or informal power, economic, cultural and social capital etc. When it comes to the entrepreneurs, those who drive the development, they do not form a specific social class (Schumpeter, 1912/2008). These people are strong individuals, they operate on their own, not as a group of people, they do not copy each other, they do not have common goals and they do not unite as social groups like landowners, workers or capitalists. The entrepreneurs are not a result of or a function of a political framework, they have no privileges or political power, and they are not elected or appointed. They only represents themselves. It makes no meaning trying to understand these individuals on any background based on traditional approaches to the social class systems.

The Starving Class

The starving class is the lowest class of human beings in the world of today. They have in common that their lives are characterized of having too little food; they get food too seldom, they have reduced access to clean water and they are malnourished. The fact that these people are starving has a great impact on their lives and their opportunities of changing the situations by themselves. Too less food or malnutrition not only shortens the individuals' life expectancy but also puts aside the necessary strength and energy that is a prerequisite for the effort that a rise to a higher social class demands.

The starving class is represented all over the world. In numbers, most individuals in this social class are located in developing countries, but also in developed countries, we find a large number of starving individuals. The United Nations Food and Agriculture Organization (FAO) estimates that about 795 million people out of the world population of 7.3 billion individuals, or one in nine, were suffering from chronic undernourishment in 2014 - 2016. Almost one in eight, that is 12,9 percent, live in developing countries while 11 million live in developed countries (FAO 2015: 4). The members of the starving class globally is down during the period 1990 to 2015 from 1.106 million individuals (18,6 percent of world population in 1990) due to a number of different reasons, whereas one significant reason is the economic development in China. On a national and regional level, there are huge difference in numbers of starving individuals. In Middle Africa the percentage is 41,3, Southern Asia with 15,7, and Caribbean with 19,8, while developed countries have less than 5 percent of its population starving (FAO 2015: 8).

Members of the starving class come from all kind of occupations and lifestyles. The starving class contains individuals with their roots based on traditional characteristics as age, income, sex, race, religion etc. It has shown that being rich is not a protection against being a member of the starving social class.

Take for example a country like the Kingdom of Norway, a socialist nation proclaiming the welfare state ideology for more than two generations. Out of its population of 5.214.000 inhabitants more than 70.000 elderly people (out of a population group 65+ of 834.000) suffer from chronic starvation (8,4 percent) (Index Mundi 2014). The Government of Norway is responsible for the wellbeing of all its inhabitants without regard to individual income or settlement (Regjeringen.no). This is also valid for children, but 8,6 percent of all children (84.300 children) under the age of 18 live in households characterized by chronic low income (in the period 2011 – 2013) (barn som lever i fattigdom – [Children living in poverty], 2015). The Norwegian government has launched a strategy for fighting the poverty of children counting 64 major strategies for the period 2015 – 2017 (Regjeringen 2015). It has shown that individuals, children, their parents or other adult private responsible persons cannot find solutions to elevate the children out of their poverty.

The political dogma of the welfare state has almost eroded the acceptance of the existence of poverty and hunger in the Kingdom of Norway, and thereby set back the development in the social sector and societal progress for the wellbeing of its population. At the same time, it proves that individuals and the whole starving social class cannot propel themselves to a higher social position in order to escape hunger, starvation and reduced joy of life.

The starving class is captured in a static framework, and without help or pressure from outside, members of the starving class cannot find their ways to a better life position. Transformation can take place based on economic stimulus or radical changes in the political framework, like accepting the individual's right to economic freedom and independent choices. Even though the relative size of the starving class for the moment has been, and still is developing in a positive direction globally, the existence of the starving class will always be a reality. That is also the truth when it comes to the nature of its way of transformation in the social sector, it will always be static.

The Desperate Class

The desperate class has a higher social ranking of human beings in the world of today than the

starving class. Members of the desperate social class have in common that their lives are characterized of being desperate of falling down into the starving class. The fact that these people are desperate not to fall down into the starving class has a great impact on their lives and their opportunities of changing the situations by themselves. The desperation occupies the individuals mindset, represents a hindrance for prosperity and the ability to rise to the highest social class. Individuals in the desperate class have the focus of life on their income, be it wages or profit, because income is the only legal asset, and knowledge they have as means for not falling down into starvation.

The desperate class is represented all over the world. The global workforce, which refers to the international labor pool of workers, consisted in 2012 of approximately 3 billion workers, whereas approximately 200 million were unemployed. These numbers represent the paid labor, or formal labor. Formal labor is structured and paid for in a formal way and contributes to a nations GDP. Informal labor lack arrangements in law or practice. Informal labor is immense and expanding globally. Some informal work is unpaid and even illegal, although the work is valuable it is hard to estimate its value. Informal work takes place in all sectors and is often fund at homes for sustaining families, in the service sector, in industry, in official administration, in hospitals and even in universities. Trafficking, which counts for 25 to 35 million people in the world, is to be found both in the governmental and private sectors.

The laborers are constantly looking for better benefits and higher wages and they spend all their effort and time competing on the labor market for a better and higher position or for sustaining the position they already have. The desperate laborer take all kinds of positions on the labor market or informal work, from the easiest jobs to the most complicated and rare positions thinkable; from the delivery boy to the highest positions at the Kings` table. The wage and economic benefits are what counts, and any activity that do not bring about an economic result or manifests the secure position already achieved is out of the question for the desperate class. They are not motivated by wages or benefits as such, but it is the belief that their activity will protect them from falling down to the starving class that is the driving force. Of course, they spend their leisure time with their families, friends, in all kinds of organizations, for traveling, and summer vacations etc. They are more than willing to spend their wages and savings on anything that is possible to buy for money, but very few have savings, mostly because of small margins and spending.

The wages and benefits that are paid for the desperate class origin from the static production function. Wages, benefits and all other kinds of economic payback for the laborer, is an element of the price paid for the product or service produced by the laborer and sold on the market. The real employer of the desperate class members are the consumers on the market. They decide what to produce and the price, for not only the commodity or service, but also the wages and economic benefits and paybacks to the laborer.

Members of the desperate class occupies themselves not only as wage earners but also as capitalists. Successful business and investment activities give the capitalist a profit, from which the capitalist can make his living. The profit might be huge or marginal, but anyhow, it serves the function to protect the capitalist from falling down into the starving class. Anyhow, the capitalist, as well as the wage earner, are active only in the static production function. The static production function have certain consequences for the return of investments; the profit rate is never high. When huge profits are shown in the static part of the economy it indicates that the amount invested in the first place is large.

The static production function cannot supply the wage earners nor the capitalists with all the wages, profit and economic benefits they desire. The desperate class members want more. To get more some of them are more than willing to undertake corruption, tax fraud, offshore activities, trafficking, and any other illegal activities. The more the society protects itself from these kinds of criminal activities the more cunning the desperate class becomes. The more desperate an individual is, the more damage to the society he is willing to do. Especially damaging are the economic criminal activities conducted by politicians, peers, head of states and kings, religious leaders and their organizations of all kinds, individuals in trusted, elected and appointed societal positions and the heroes of the global society. Their desperation allow them to be double sided, representing one official view, deciding, influencing and promoting the law and regulations of the society and the individual, and the other one, kept in secret; steeling from and damaging the society. These desperate class members do serious damage to the starving class because their unmoral and illegal activities directly influence on the living conditions of the starving class and its members. Less income on the state budgets due to tax fraud of all kinds means less money for economic support to the starving class remembers.

The desperate class individuals are dependent people. They do not depend on their work abilities, education, talent, connections, and family background as much as the situation on the labor market. When the labor market is experiencing a downswing, personal assumptions for the individual play no role for the employment of the whole group of workers in the desperate class. The same fact is truth for the individual capitalist in this social class group. When market forces no longer accepts further investments all players on the same market will suffer from low profit rates or losses.

The desperate class is captures in a static economic framework. The relative size of the desperate class is enormous.

The Elite Class

The elite class is the highest social ranking class of human beings in the world of today. Members of the elite social class have in common that they are independent and live dynamic lives. The fact that these people are independent and live dynamic lives has a great impact on their lives and their opportunities of changing the situations, not only for themselves but also for the society. Living independently means not taking orders from others or depending on funding from others, be it individuals or systems of any kinds. Individuals in the elite class have the focus of life on their personal and economic freedom, which is the basis for all innovations, independent science and dynamic change of society.

The elite class is, to a more or less extend represented all over the world. The number of individuals in the elite social class are few, probably less than one percent of the total population globally. The elite class members are unevenly distributed in the world's nations, but the results of their dynamic contributions to the world have great benefits for people in all nations.

Not taking orders from others or depending on funding from external sources means economic and intellectual freedom. The elite class members are not wage earners or capitalists depending on their capital profit. They do not focus on their income or status position based on employment, election or any other human created motivational systems. They do not fear either falling down to the desperate or the starving classes. The members of the elite social class are economic flexible. They can endure dramatic economic swing downs or dramatic economic changes in their situation without falling out of the basic values, which constitutes the framework for their lives. The elite class members are not taking any parts of the static production function. Their contributions in independent science, innovations and culture means a dynamic change to the static production function.

Elite class members are not a homogenous group when it comes to income and economic wealth. These individuals are to be found on the whole spectra of income and possessions. They might be very rich and wealthy or have very modest background. They usually do not demonstrate their wealth of their practical or intellectual results. Elite class members live outside the stage lights and they seldom play the role of heroes.

The main income background of the elite class is entrepreneurial profit, the economic result of successful innovation. Entrepreneurial profit is the result of an individual's talent, will and act. Entrepreneurial profit is always a by-product of the person's activity, not the motivating factor, which is the case for the desperate class members.

The elite class members have put themselves in this social class, a position in society that is not possible to inherit. The person's desire and talent is the main driving force for belonging in this social class.

Conclusion

The analysis shows that there are three distinct social classes in the world today. Individuals who do not have enough to eat represent the starving class. The starving class is the lowest class of human beings in the world of today. The starving class is captured in a static framework, and without help or pressure from outside, members of the starving class cannot find their ways to a better life position.

Then we have the desperate class. Members of the desperate social class have in common that their lives are characterized of being desperate of falling down into the starving class. The desperate class individuals are dependent people. They depend on the static production function, as either wage earners or capitalists.

The highest social class position is the elite class. The fact that these people are independent and live dynamic lives has a great impact on their lives and their opportunities of changing the situations, not only for themselves but also for the society. Living independently means not taking orders from others or depending on funding from others, be it individuals or systems of any kinds.

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Santrauka

NAUJA SOCIALINIŲ KLASIŲ SISTEMA

Šiandieniniame pasaulyje yra trys skirtingos socialinės klasės. Tradicinis požiūris į socialinės klasės struktūrą nebeatitinka mūsų šiuolaikinio socialinės klasės struktūros supratimo. Mokslinis šiandieninės socialinės klasės schemas, apimančios viso pasaulio gyventojus, supratimas iš dalies yra įtakotas pastarojo dešimtmečio socialinės-technologinės plėtros. Mes esame matę perėjimą iš tradicinio kapitalizmo; pirmąjį sukauptą didžiulį kapitalą ir pelno gavimą, mokėjimus trečiajam sektoriui, socialinių naujovių ir socialinių verslininkų atsiradimą. Analizė paaiškina, kaip mes galime suprasti skirtingus šiandieninių pasaulio gyventojų sluoksnius.

Naujos socialinės klasės sistemos apima badujančią, beviltišką ir elito klases. Remiantis gamybos funkcija ir individualių asmenų santykiu su darbo užmokesčiu ir pelnu yra formuojamas mokslinis požiūris į šiuolaikinio pasaulio socialinės klasės struktūrą.

Badaujanti klasė yra šiandieninio pasaulio žemiausia klasė. Badujančios klasės pagrindas yra statiškas ir jos nariai, be pagalbos ar spaudimo iš išorės, negali rasti kelio į geresnio gyvenimo poziciją.

Beviltiškos klasės individai yra priklausomi žmonės. Jie priklauso nuo statinės gamybos funkcijos kaip samdomi darbuotojai arba kapitalistai. Beviltiškos socialinės klasės narių gyvenimas gali nukristi į badujančią klasę.

Didžiausia socialinė klasė yra elito klasė. Tas faktas, kad šie žmonės yra nepriklausomi ir gyvena dinaminį gyvenimą, turi didelį poveikį jų gyvenimui ir galimybėms keisti situacijas ne tik sau, bet ir visuomenei. Gyventi nepriklausomai reiškia ne priimti užsakymus iš kitų arba būti finansiškai priklausomam nuo kitų, o būti kitokiais individais ar sistemomis.