

CHAPTER 14

CASTES, STATUS GROUPS AND SOCIAL CLASSES

The emerging technobureaucratic class, that will define technobureaucratic capitalism, fully meets these requirements. In the second part of this book I discussed the concept of class in terms of pure modes of production rather than in terms of concrete social formations. The capitalist mode of production in its purest form (that of England in the nineteenth century) was compared with the technobureaucratic mode of production dominant in the Soviet social formation. Adopting this strategy I was able to define the technobureaucratic relation of production and identify the technobureaucracy as the dominant class in this mode of production.

In the technobureaucratic mode of production, capital - defined here as a relation of production - ceases to exist to the extent that private ownership of the means of production disappears; capital is replaced by the technobureaucratic relation of production, which we call organization or bureaucratic organization. The means of production are now the technobureaucrats' collective property, as a result of their effective control of the bureaucratic organization. While they do not hold legal ownership of the means of production as capitalists do, they are similar to the latter in that they hold effective ownership of the means of production and administrates them. The most important difference, however, does not concern legal ownership since what is essential is effective ownership, the capacity to administer and make the best use of given means of production. The fundamental difference lies in the fact that with capitalism property is private, individual, whereas in the technobureaucratic mode of production property is collective. With capitalism, each capitalist either directly owns the means of production, or a proportion of them directly in the form of stocks, or indirectly in the form of credits. On the other hand, the technobureaucrats cannot say that they own a business enterprise or even a given part of it. Rather, the technobureaucrats own the bureaucratic organization to the extent that they occupy a position in its organizational hierarchy, and use the organization's resources for their own benefit.⁶⁵

⁶⁵ João Bernardo has a similar point of view concerning technobureaucrats' collective ownership of the means of production. Nevertheless, he speaks of a "state bourgeoisie" and "state capitalism": "What we have here is collective ownership of the state, which cannot be transferred on an individual basis...Collective ownership is maintained within the same social group and its descendants by total control over public education and by the fact that the children of the state bourgeoisie will have, in their childhood, a lengthy education within the family." (1975: 175)

It is clear that technobureaucratic mode of production, being so different from the capitalist mode of production in its classical or competitive form (though not so different from technobureaucratic capitalism), necessarily exhibits a very different class structure as well.

1. Capitalism: the dominant economic aspect

This suggests the need to reexamine the concept of social class, putting it in historical perspective. We have seen that social classes are the agents par excellence of history. Yet we have also observed that they are the product of relations of production which change with history. Consequently, the concept of social class varies through different historical periods and keeping with of different modes of production.

Classes exist in all antagonistic modes of production where a minority, initially through force or coercion, appropriates effective control of the means of production. Relations of production are the determinant factor, so that the economic base is what underlies the essential split between classes. However, it is only in the capitalist mode of production that classes take on such a clear and explicit economic character, with political and religious aspects as only secondary concerns.

Thus it is correct to say that social classes, in the strict sense of the word, are a phenomenon specific to capitalism. It is only in a broad sense that Marx and Engels may use this term when they affirm that "the history of all hitherto existing society is the history of class struggles" (1848: 2). In many other writings, however, it is clear that they use the concept of class as a theoretical tool which is particularly useful in explaining how the capitalist mode of production functions. This is the basis for stating that social class, in the strictest sense of the word, is a historical phenomenon specific to capitalism, to the extent that our definition of social class is rooted in economic criterion, and that we emphasize its insertion in the relations of production.

In fact, it is only with the rise of capitalism that the dominant class can appropriate surplus through explicitly economic means: the mechanism of surplus value. In this way relations between classes defined as economic groups become much clearer, no longer clouded by tradition or religion. Capitalism postulates equal treatment before the law. What this signifies in terms of the capitalist ideology is that class distinction have no legitimation based in the legal and ideological superstructure of society. Thus the economic basis of class

becomes more apparent. Some sell and others buy labor in the market; this is where class differences originate.

2. Pre-capitalism: the economic aspect is less important

In pre-capitalist modes of production, it was always necessary for the dominant class to use direct force either alone or joined with tradition and religion, in order to extract surplus. With capitalism the use of force occurs indirectly. To the extent that capitalism is based on the generalization of commodities, the capitalist can appropriate surplus through an essentially economic mechanism, surplus value. While in pre-capitalist modes of production the dominant class's appropriation of surplus had a decisively economic component, it always implied a kind of violence or use of power which is not market power, nor power derived from capital. The tribute imposed by the sovereign in the Asiatic mode of production is clearly a violent means of appropriating surplus. The same can be said for slavery, where the violence is even more apparent. The feudal corvee is not without violence, though it is mitigated by the master's reciprocal obligation of military protection and justified by a strong ideological apparatus.

When surplus is appropriated in these pre-capitalist situations, the economic aspect by which classes are defined tends to be weakened or obscured. The dominant class finds it more important to develop political, legal and religious justifications to legitimate the coercion and violence by which it appropriates surplus. It is also essential to set up institutional mechanisms which divide and stratify the dominated classes in order to facilitate their domination. The basically economic nature of social class is thus doubly obscured: on one hand by the introduction of ideological elements and on the other by dividing up society into castes or status groups which would replace classes in terms of social structure. As Lukacs so keenly notes:

"this is true above all because class interests in pre-capitalist society never achieve full (economic) articulation. Hence the structuring of society into castes and estates means that economic elements are inextricably joined to political and religious factors. In contrast to this, the rule of the bourgeoisie means the abolition of the estates-system and this leads to the organization of society along class lines." (1922: 55).

3. Castes and status groups

It is characteristic of pre-capitalist social formations to establish castes and status groups or some other kind of social division of labor which are hereditary, rigid and backed up by religious values and the law. We are often led to believe that castes and status groups replaced social classes in pre-capitalist economic formations.⁶⁶ But this is not correct, or it is not the whole truth. India's castes and countless sub-castes and the many types and sizes of status groups or estates in feudal society are not real alternatives to classes, but rather a strategy of the dominant class to hierarchically order and regulate the social system⁶⁷. Basic social classes still exist, based on their participation in production. But they are further divided into smaller and more stable groups for which rights, and more importantly, responsibilities and limitations are defined. It is said that on the eve of the French Revolution society was divided into three estates: the nobility, the clergy and the people. But the people were further divided into smaller sub-status groups. The situation is similar among the castes in India. On the other hand, status groups are also a form of stratifying the dominant class. Accordingly Hans Freyer observes:

"The military, the priesthood, public office and landholding are ordinarily sectors which the dominant status groups reserve for themselves" (1931: 169).

Weber was correct in comparing status groups with castes: "a caste is doubtless a closed status group".(1916: 39). Nevertheless he was one of those responsible for the proposition spread widely today that social classes and status groups are alternative forms of social organization. For example, he states "classes are groups of people who, from the standpoint of specific interests, have the same economic position", while status group are a "quality of social honor or the lack of it." (1916: 39). In the same vein, he calls Chapter IV of the First Part of *Economy and Society*, "Status and Classes." Here he defines class in function of market position, that is, based on "a probability which derives from the relative control over goods and skills and from their income producing uses within a given economic order", whereas "status (standische Lage) shall mean an

⁶⁶ This is the position taken by Sedi Hirano (1975). I took a similar position in *Empresários e Administradores no Brasil* (1974).

⁶⁷ According to Ferdinand Toennies, "Today the castes in India number in the thousands if one includes the sub-castes. In the central provinces which have about sixteen million inhabitants, the census of 1901 identified nearly nine hundred caste names which were subsumed, however, by classification under two hundred real castes." (1931:15).

effective claim to social esteem in terms of positive or negative privileges." (1922: 302-305).

The notion of social honor, which forms part of the concept of a status group, in fact refers principally to the higher status groups formed by the dominant class and its associates as the pre-capitalist bureaucracy. For a member of the lower class to belong to a professional status group is also viewed by the dominant class and accepted by the dominated class as an indication of social honor. It is an "honor" and a "privilege" to belong to the status group of masons or butchers, especially if we consider that the monopoly over this distinction derives from "appropriation of political or hierocratic powers." (Weber, 1922: 306). The strategic importance that this kind of distinction holds for the dominant class is apparent.

By establishing castes and status groups, the dominant class neutralizes class struggle. Thus some authors view as a fundamental difference between the two the presence of conflict in relations between classes versus the absence of conflict between status group. Toennies states that "estates change over into classes, when they engage in hostile actions or engage one another in war." (1931: 12). In fact status groups never reach the point of questioning the class structure itself. The farthest they go is to engage in local or private clashes with other status groups in order to win certain rights or limit those of others.

What is important to remember is that the status group is a subdivision of a class, not an alternative to it. More precisely, it is a subdivision of classes, an internal ranking of the dominant and dominated class. Social classes here are understood in their broad sense as derived from the insertion of social groups in antagonistic relations of production. The status group would be an alternative to the class if we limit the latter concept to the capitalist mode of production. This limited conception of class has a certain historical foundation to the extent that classes only appeared in their purest form with capitalism, but we should not lose sight of the more general nature of class and class struggle throughout history.

Nevertheless it is conceivable for a status group to become a class. On one hand there would have to be new relations of production which place the status group in a strategic position, and on the other, this social group, as a result would have to gain critical mass, a universal nature and finally, a vocation for both conflict and domination. This is what happened with the bourgeoisie in the transition from feudalism to capitalism, and is what is occurring today with the bureaucracy or technobureaucracy in the long and contradictory transition from capitalism to the technobureaucratism.

Marx and Engels are quite clear about the bourgeoisie's transformation from a status group to a class when they state that:

"By the mere fact that it is a class and no longer an estate, the bourgeoisie is forced to organize itself no longer locally, but nationally, and to give a general form to its mean average interest" (1846: 80).

This transformation took place when the relations of production for which the bourgeoisie served as vehicle became dominant in society while this new class was gaining critical mass and consciousness of its own interests. The transformation of the bureaucratic status group into the technobureaucratic class is occurring through a similar process in the second half of the twentieth century.

Thus estates or status groups do not constitute an alternative to the class structure since social classes and status groups are common to all antagonistic modes of production, but on a lower level of abstraction, they can be considered as the feudal alternative to the capitalist class structure. This is why status groups, when contrasted with specific classes in the capitalist mode of production, become a useful theoretical tool. This tool helps us to understand the historical differences not only between pre-capitalist and capitalist class structures, but also between the latter and the specific class structure of the technobureaucratic mode of production. While a class structure is common to all antagonistic modes of production, each mode structures classes in its own particular way. Status groups played a fundamental role in feudalism, while with capitalism classes tend to appear in a pure form and in statism we will see that the concept of "layer" or "social stratum" is essential to understanding its class system.