

CHAPTER 2

FOUNDATIONS OF A NEO-WEBERIAN CLASS ANALYSIS

Richard Breen

Introduction

In the broad project of ‘class analysis’ a great deal of effort goes into defining class and delineating the boundaries of classes. This is necessarily so, because class analysis is ‘the empirical investigation of the consequences and corollaries of the existence of a class structure defined *ex-ante*’ (Breen and Rottman 1995b, p. 453). By starting from a particular definition, sociologists can assess the extent to which such things as inequality in life chances among individuals and families are structured on the basis of class. This approach stands in contrast to one that discovers a class structure from the empirical distribution of inequality in society (Sørensen 2000 labels this the ‘nominal classifications’ approach). In class analysis the theoretical underpinnings of the version of class that is being used have to be made clear at the outset, and the concept of class has to be operationalized so as to allow claims about class to be tested empirically. If we examine the two main varieties of contemporary class analysis – namely Marxist class analysis, particularly associated with the work of Erik Olin Wright and his associates, and the neo-Weberian class analysis linked to the use of the class schema devised by John Goldthorpe – we find that these two tasks are central to both.

In this chapter I will discuss some of the issues involved in seeking to pursue class analysis within a broadly Weberian perspective. I begin by outlining Weber’s own views on social class, as these are presented in *Economy and Society*. This serves to set out the broad parameters within which Weberian class analysis operates and to suggest the extent and limits of its explanatory ambitions. I go on to discuss, in very general terms, what sort of operationalization of class is suggested by the work of Weber and then to outline the Goldthorpe class schema, which is widely held to be Weberian in conception (for example, Marshall *et al* 1988 p. 14). The chapter concludes with a discussion of some of what I see as the fundamental objections to a neo-Weberian approach to class analysis and with some clarifications about exactly what we might expect a neo-Weberian class classification to explain.

Social class in the work of Max Weber

In capitalism the market is the major determinant of life chances. Life chances can be understood as, in Giddens’s terms, ‘the chances an individual has for sharing in the socially created economic or cultural “goods” that typically exist in any given society’ (1973, pp. 130-1) or, more simply, as the chances that individuals have of gaining access to scarce and valued outcomes. Weber (1978, p. 302) writes that ‘a class situation is one in which there is a shared typical probability of procuring goods, gaining a position in life, and finding inner satisfaction’: in other words, members of a class share common life chances. If this is what members of a class have in common, what puts them in this common position? Weber’s answer is that the market distributes life chances according to the resources that individuals bring to it, and he recognized that these resources could vary in a number of ways. Aside from the distinction between property owners and non-owners, there is also variation according to particular skills and other assets. The important point, however, is that all these

assets only have value in the context of a market: hence, class situation is identified with market situation.

One consequence of Weber's recognition of the diversity of assets that engender returns in the market is a proliferation of possible classes, which he calls 'economic classes'. Social classes, however, are much smaller in number, being aggregations of economic classes. They are formed not simply on the basis of the workings of the market: other factors intervene, and the one singled out by Weber for particular attention is social mobility. 'A social class makes up the totality of class positions within which individual and inter-generational mobility is easy and typical' (Weber 1978, p. 302). Weber suggests that, as a matter of empirical fact, four major social classes can be identified under capitalism, between which social mobility is infrequent and difficult but within which it is relatively common. The first distinction is between those who own property or the means of production, and those who do not, but both groups are 'further differentiated ... according to the kind of property ... and the kind of services that can be offered in the market' (Weber 1978, p. 928). The resulting four classes are the 'dominant entrepreneurial and propertied groups'; the petty bourgeoisie; workers with formal credentials (the middle class) and those who lack them and whose only asset is their labour power (the working class).

It is well known that Weber saw class as only one aspect of the distribution of power in society. In a famous definition, power is 'the probability that one actor within a social relationship will be in a position to carry out his own will despite resistance, regardless of the basis on which this probability rests' (Weber 1978, p. 53), and status groups and parties, along with classes are, for Weber, the major phenomena of the distribution of power in society. The distinction between them concerns the different resources that each can bring to influence the distribution of life chances. While membership of each will overlap, none of these dimensions can be wholly reduced to the other. Each of them can be a basis for collective action, but, according to Weber, status groups and parties are more likely to fulfil this role than are classes. For parties, collective action is their *raison d'être*, while membership of a status group is more likely to figure in individuals' consciousness, and thus act as a basis for collective action, than is membership of a class. Whether or not members of a class display 'class consciousness' depends on certain contingent factors: it is 'linked to general cultural conditions ... and especially linked to the transparency of the connections between the causes and the consequences of the class situation' (Weber 1978, p. 928-32). Different life chances, associated with social class membership, do not themselves give birth to 'class action': it is only when the 'real conditions and the results of the class situation' are recognized that this can occur.

This review of Weber's writings on social class serves, not least, to establish some limits to the ambitions of a Weberian class analysis. Perhaps most importantly there is no assumption that patterns of historical change can be explained in terms of the evolution of the relationship between classes, as is the case with Marxist historical materialism. Nor is there any supposition that classes are necessarily in a zero-sum conflict in which the benefits to one come at the (illegitimate) expense of the other. Indeed, there is no assumption in Weber that class will be the major source of conflict within capitalist society or that classes will

necessarily serve as a source of collective action. Rather, the focus is on the market as the source of inequalities in life chances. But this is not to say that a Weberian approach takes market arrangements as given. Weber writes that markets are themselves forms of social action which depend, for their existence, on other sorts of social action, such as a certain kind of legal order (Weber 1978, p. 930). But in understanding how market arrangements come to be the way they are, one cannot simply focus on classes and the relationships between them. The evolution of social forms is a complex process that can be driven by a wide variety of factors, as Weber himself illustrates in *The Protestant Ethic and the Spirit of Capitalism*, where ideas are allotted a central role in the development of modern capitalism.

Weber's comments on class are rather fragmentary: there is, for example, very little in his work addressing questions of class conflict.¹ This being so, it may, on occasion, seem easier to define a Weberian approach by what it is not, rather than what it is, and almost any class schema that is not avowedly Marxist could be considered Weberian. Indeed, the boundaries between the Marxist and Weberian versions are themselves often rather less than sharp. But, as I hope to show, there is a distinctive element to a Weberian class schema and this determines both how we should go about constructing it and how we should evaluate its performance as an explanatory factor in class analyses. But I see no virtue in seeking to follow Weber's writings 'to the letter' (even supposing that it were possible to do so), and the approach I outline here, which I call neo-Weberian, may not be the only one to which Weber's own rather unsystematic remarks on class could give rise.

The aims of class analysis

Understood as a general project, class analysis sees class as having the potential to explain a wide range of outcomes. A principal aim, of course, is to examine the relationship between class position and life chances, but class analysis is seldom restricted to this. Class is commonly held to have various possible consequences. Because a set of individuals shares a common class position they tend to behave in similar ways: class position is a determinant of the individual's conditions of action and similar actions could be expected among those who have similar conditions of action (see Weber 1978, p. 929). But this might be distinguished from class conscious behaviour. This can occur when, as Weber says, individuals become aware of 'the connections between the causes and the consequences of the class situation'.

In principle, then, not just variation in life chances but in a whole range of action, behaviour, attitudes, values and so forth can be taken as objects that class might help to explain. But the link between classes and their consequences cannot simply be an empirical matter: there must be some theory or argument for why classes, defined in a given way, are salient for the explanation of these outcomes, and, in particular, for the explanation of variation in life chances. This is a point we shall revisit in this chapter. But now I turn to the question of how Weber's ideas on social class might be operationalized.

The development of a Weberian class schema

To a Weberian, class is of interest because it links individuals' positions in capitalist markets to inequality in the distribution of life chances. As we have seen, variations in market position arise on the basis of differences in the possession of market-relevant assets. One

possible approach to constructing a Weber-inspired class schema might be to group together individuals possessing the same or similar assets. After all, Weber defines ‘class situation’ as the sharing of a ‘specific causal component of ... life chances’ (1978, p. 927) and it might therefore seem reasonable to define classes in terms of such causal components of life chances. In this sense, the explanatory variables in a neo-classical earnings function would serve to delineate at least some classes.

In fact, such an approach to the study of class is not usually adopted – because what is important is not the possession of assets *per se* but their implementation in the market. For many reasons there is not a deterministic relationship between the resources that individuals bring to the market and what they receive in return. So the focus shifts to market situation and to identifying a set of structural positions that can be grouped together as classes. As Sørensen (1991, p. 72) puts it, classes are ‘sets of structural positions. Social relationships within markets, especially within labour markets, and within firms define these positions. Class positions exist independently of individual occupants of these positions. They are “empty places”’. The question for all forms of class analysis is how – on what basis – we should distinguish these positions.

One way of approaching this question would be to start by asking what it is that class is meant to explain. If the primary purpose of a class schema is to capture how social relationships within markets and firms shape life-chances, then classes could be defined so as to maximize the statistical association between them and the distribution of life chances. Such an approach might be seen as being half-way between purely inductive (‘nominal’ in Sørensen’s term) class classifications and the approach more usually adopted in class analysis. I am not aware of any class schema that follows this practice, but something similar has been suggested as a method for constructing social distance or social dominance scales (Prandy 1999, Rytina 2000). Alternatively, the principle on which classes are defined could be viewed as a theory about how relationships in markets and firms are linked to the distribution of life chances. In either case, the boundaries that we draw to categorize positions in firms and labour markets should have a claim to being the classification that best captures the distinctions that are relevant to explain variation, in this case, in life chances. But this raises the possibility that if our purpose is to capture how position in the system of production influences, let us say, voting behaviour, or some types of collective action, then a quite different principle might be appropriate.

The single defining characteristic of Weber-inspired class analysis is that classes are of interest insofar as they shape life chances, and so the latter strategy is the one that is followed in constructing a neo-Weberian schema. However, as an empirical fact, it emerges that such schemata do often prove to be good predictors of a wide range of behaviours, actions, attitudes, preferences, and so forth. Class analysis should therefore explain not only why certain distinctions of position within labour markets and firms lead to differences in life chances, but also why a categorization of positions developed for this purpose explains variations in a range of different outcomes. But before taking this issue any further, it may be useful to put the discussion on a more concrete basis by examining a class schema that is usually held to be neo-Weberian.

The Goldthorpe class schema

The class schema developed by John Goldthorpe and his associates (Goldthorpe 1980; Erikson, Goldthorpe and Portocarero 1979; Erikson and Goldthorpe 1992) has been extensively used in empirical class analysis during the past 20 years.² Initially, the schema was presented as distinguishing occupations on the basis of their market and work situations. Market situation refers to an occupation's sources and levels of income, its associated conditions of employment, degree of economic security, and chances, for its holders, of economic advancement. Work situation refers to an occupation's location within systems of authority and control in the production process (Goldthorpe 1980, p. 40). Occupations that typically share common market and work situations were held to constitute classes and occupants of different classes were held to enjoy different life chances.

In his later work, however, Goldthorpe has provided a slightly different set of principles on which the same class schema is based. 'The aim of the class schema is to differentiate positions within labour markets and production units or, more specifically ... to differentiate such positions in terms of the employment relations that they entail' (Erikson and Goldthorpe 1992, p. 37). Now classes are held to capture two main distinctions: between those who own the means of production and those who do not, and, among the latter, according to the nature of their relationship with their employer. The important dichotomy here is between positions that are regulated under a labour contract, and those that are regulated by a 'service' relationship with the employer. Under a labour contract there is a very specific exchange of wages for effort and the worker is relatively closely supervised, while the service relationship is more long-term and involves a more diffuse exchange.

The basis for this distinction is the problem that employers face of ensuring that their employees act in the best interests of the firm. Employees always have at least some discretion about how they carry out their job – how hard they work, what degree of responsibility or initiative they exercise and so on (Goldthorpe 2000, p. 212) – and so the issue for the employer is to how to ensure that this discretion is exercised in the service of the employer. How this is done depends on the type of work that the employee undertakes, and thus the solution to the problem is the establishment of employment contracts tailored to different kinds of work.

The crucial dimensions along which work is differentiated are, according to Goldthorpe, the degree of 'asset-specificity' involved and the extent of monitoring difficulty (Goldthorpe 2000, p. 213). Asset specificity refers to the extent to which a job calls for job-specific skills, expertise or knowledge, in contrast to jobs that require general, non-specific skills. In the former case, an employee has to be persuaded to invest in these skills, despite the fact that they may be of no value to her in another firm or occupation. But equally, once an employee has gained these skills, the employer needs to ensure, as far as possible, that the skilled employee is retained, since these skills cannot be bought on the open labour market. Monitoring difficulties arise when the employer cannot, with any reasonable degree of clarity, assess the extent to which the employee is acting in the employer's interests. This is the classical 'principal – agent problem'. In certain jobs the employee has appreciable

autonomy and discretion about exactly how to carry out the tasks that the job calls for, and thus, while the employee (the agent) knows whether he or she is working in the interests of the firm, the employer (the principal) does not. This informational asymmetry establishes an incentive for the agent to act in her interests when these conflict with the interests of the principal.

Problems of asset specificity and monitoring are countered by setting up, through the service relationship, incentives to persuade employees to act in the employer's interest. These incentives must align the interests of the two parties, and this is done by establishing a link 'between employees' commitment to and effective pursuit of organizational goals and their career success and lifetime material well-being' (Goldthorpe 2000, p. 220). To secure this, prospective elements in the employment contract play a major role: 'for example, salary increments on an established scale, assurances of security ... pension rights ... and ... well defined career opportunities' (Erikson and Goldthorpe 1992, p. 42). As far as monitoring difficulties are concerned this solution is one which is familiar in the game theory literature: the temptation to defect and gather a short-term gain is offset by the prospect of extended and long term payoffs as a reward for cooperation.

The labour contract is found where neither asset specificity nor monitoring problems occur. In this case, even if the work tasks require skills, these will be general and readily available in the labour market. Monitoring problems are largely absent because what the employee does in the service of the employer and what he or she actually produces is readily observable. There is then no need for the kinds of incentives established in the service relationship, and, according to Goldthorpe, the two defining characteristics of the labour contract are payment for discrete amounts of work and the absence of any attempts to secure a long-term relationship between the parties.

What does the resulting class schema look like? There is one class of the self-employed and small-employees (petty-bourgeoisie), labeled class IV (the classification uses Roman numerals). This is subdivided first on a sectoral basis, so that IVc comprises farmers and 'other self-employed workers in primary production', and secondly between non-agricultural employers and the self-employed: IVa comprises small proprietors with employees³, IVb those without employees. The remaining classes are comprised of employee positions, and thus the shape of this part of the class structure depends on which occupations are characterized by one, both or neither of asset specificity and monitoring difficulties. Classes I and II are made up of those occupations that most clearly have a service relationship: the distinction between them is a matter of degree. So class I comprises higher grade, and class II lower grade, professionals, administrative and managerial workers. In these occupations problems arise of both monitoring and asset-specificity. At the other extreme, members of classes VI (skilled manual workers) and VII (unskilled manual workers) most clearly have a labour contract with their employer. Class VII is itself also divided sectorally: VIIb is non-skilled agricultural workers, VIIa is non-skilled workers outside agriculture. The labour contract is also shared by workers in what are termed 'lower grade', routine non-manual occupations (Class IIIb). These occupations include 'the lowest grades of employment in offices, shops, and other service outlets – machine operators, counter staff, attendants, etc'

(Erikson and Goldthorpe 1992, p. 241). The remaining classes, IIIa (higher grade routine non-manual occupations) and V (lower technical and manual supervisory occupations), ‘comprise positions with associated employment relationships that would appear characteristically to take on a very mixed form’ (Erikson and Goldthorpe 1992, p. 43). But this mixed form occurs for different reasons in each case. The occupations in IIIa (typically clerks, secretaries and other routine administrative personnel) typically require no asset-specificity but do present some difficulties of monitoring, while those in class V have the opposite combination. Class IIIa occupations enjoy many elements of the service relationship but often lack any clear career structure, while class V occupations enjoy such a career structure but are relatively closely monitored and paid according to the number of hours they work. The possible combinations of asset specificity and monitoring difficulties and the classes characterized by each are shown in Figure 1, taken from Goldthorpe (2000, p. 223).

[FIGURE 1 HERE]

In developing this account, Goldthorpe has drawn heavily on literature in organizational economics and, indeed, there are many similarities between the ‘efficiency wage’ (Akerlof 1982) and the service contract. Employment contracts are viewed as a means by which the parties try to ensure the viability of the enterprise and to increase the total value of the contract to the benefit of both (Goldthorpe 2000, p. 210). One criticism that might be made of this approach is that it gives too much weight to efficiency arguments and neglects questions concerning the balance of power between employers and employees. Put in the form of a simple example, a particular occupation or group of occupations might enjoy some elements of the service relationship not because this maximizes efficiency, but because the bargaining strength of the workers allows them to capture these elements in the form of a rent. It seems quite plausible to suggest that changes over the past 20 years in the terms and conditions of employment governing many jobs – and, in some cases, the loss of some aspects of the service relationship – is attributable to the generally weaker bargaining position of workers *vis-a-vis* employers as much as it is to, say, changes in the skill requirements of these jobs or in the possibilities of monitoring them (Breen 1997). If these arguments are correct, they suggest that the class allocation of an occupation does not follow quite so unproblematically from a consideration of efficiency and that, in explaining any particular class structure, attention also needs to be paid to other, historically contingent factors.

In its most disaggregated form the Goldthorpe schema identifies 11 classes. In Goldthorpe’s work on England and Wales, and in many other applications, a seven-category version is employed, while the most aggregated version that nevertheless would seem to preserve the essential distinctions of the schema is probably a four-category classification of the service (I and II), intermediate (IIIa and V), petty-bourgeois (IV) and labour contract (IIIb, VI and VII) classes. These various aggregations of the schema are shown in Table 1.⁴

[TABLE 1 HERE]

What is strikingly absent from the schema is a class of large employers – the haute bourgeoisie. Nowadays large employers tend to be organizations rather than individuals, but

those individual large employers that exist are placed in class I. Erikson and Goldthorpe (1992, p. 40-1) justify this practice on two grounds. First, such individuals are usually owners of enterprises that differ from those of the petty bourgeoisie in legal rather than substantive terms. They are placed in class I rather than IV because 'in so far as such large proprietors tend to be quite extensively involved in managerial as well as entrepreneurial activities, they may be regarded as having a yet greater affinity with those salaried managers to be found in class I who have a substantial share in the ownership of the enterprises in which they work'. But this argument is rather unconvincing for the simple reason that large proprietors do not have the service relationship with an employer that defines this class. On this basis they might better be placed in class IV. Secondly, large proprietors or employers account for 'around 5 per cent of all men allocated to the service class (i.e. Classes I and II) in Western industrial societies, and cannot ... be realistically seen as members of a capitalist elite ... Rather, they turn out on examination to be most typically the owners of stores, hotels, restaurants, garages, small factories or transportation firms' (Goldthorpe 1990, p. 435). Presumably the share of female proprietors in the service class would be even smaller. But this argument too tends to reinforce the view that class IV, rather than I, is the appropriate location. Of course, as a practical matter (and assuming that the frequency of large proprietors in survey data reflects their frequency in the population) large proprietors are sufficiently scarce that their assignment to class I or class IV is hardly likely to be consequential for any conclusions that might be drawn about, say, inequalities in mobility chances. Nonetheless, placing them in class I (rather than, say, in a new sub-class in class IV) does lead to an inconsistency between the theoretical postulates of the schema and its implementation.

The change from the early to the later formulation of the Goldthorpe class schema has no operational consequences: that is, the assignment of occupations to classes has remained unchanged (this is discussed below). Furthermore, one might argue that the two formulations can be reconciled at the theoretical level, since it is differences between positions in the nature of the employment contract that give rise to the variations in market and work situation that were relevant in the earlier version. In both cases, the distinctions captured in the schema are held to produce differences in life chances: class position is a determinant of 'experiences of affluence or hardship, of economic security or insecurity, of prospects of continuing material advance, or of unyielding material constraints' (Erikson and Goldthorpe 1992, p. 236).

Despite Goldthorpe's protestations, there is some justification in labeling his schema 'neo-Weberian' inasmuch as it shares the Weberian focus on life chances and the Weberian modesty about the scope of class analysis.⁵ The purpose of the schema is to allow exploration of the 'interconnections defined by employment relations in labour markets and production units ... the processes through which individual and families are distributed and redistributed among these positions over time; and the consequences thereof for their life-chances' (Goldthorpe and Marshall 1992, p. 382). Furthermore, the class schema makes no claims to identifying groups that act as 'the engine of social change', nor does it suppose that the classes stand in an exploitative relationship one to another, nor that the members of classes will automatically develop class-consciousness and engage in collective action (Goldthorpe and Marshall 1992, p. 383-4).

The boundary problem in neo-Weberian class analysis

A neo-Weberian class schema is a set of principles that allocates positions to classes so as to capture the major dimensions of differentiation in labour markets and production units that are consequential for the distribution of life chances. In assessing a neo-Weberian, or indeed any class schema, it is important to draw a distinction between criticisms leveled at its conceptualization or theoretical basis, on the one hand, and, on the other, its specific implementation, even though objections of both kinds might ultimately be adjudicated empirically. A frequent objection to class classifications is the following: given the apparently enormous diversity of positions in labour markets and economic organizations, how can a class schema, such as Goldthorpe's, especially one with a relatively small number of classes, claim to capture the salient distinctions among positions that are consequential for the distribution of life chances among those who occupy them?⁶

One response to this is to say that variation in life chances among individuals or families in the same class is not in itself a theoretical objection to a neo-Weberian class schema since the life chances that someone enjoys depend on a variety of factors apart from class position. From this perspective, differences in life chances among those in the same class should be seen not as class differences *per se* but as differences based on other factors. But the further objection might be advanced that the chosen set of principles is not optimal: that is, there exists another set of principles that does this job better (and this might, but need not, lead to a finer classification of occupations). It might be argued, for instance, that, a scale of occupational prestige better captures distinctions among positions that are salient for life chances. Or occupations themselves could be held to be groups whose life chances are more sharply distinct than is true of classes. Addressing this objection would require both conceptual clarification and empirical analysis. First, one could ask what mechanisms explain variation in life chances arising from these sources. In the case of Goldthorpe's schema, the form of employment relationship is consequential for life chances because of the different rewards and incentives that are associated with each type of contract. Secondly, one could ask how positions come to be differentiated in this way. In Goldthorpe's schema the two kinds of employment contract are attempted solutions to the problems of asset specificity and employee monitoring that confront employers. Alternative principles for the construction of classes should then have underlying mechanisms of both these sorts that had at least the same degree of plausibility. Lastly, we could move to empirical tests. Given the choice between two theoretically grounded classifications an empirical analysis would ask which of them was the stronger predictor of life chances, while taking into account the trade-off between explanatory completeness and explanatory parsimony.

Objections like this are fundamental, and are distinct from those that could be leveled against a particular operationalization of a set of underlying principles on which both the critic and the defender might agree. Indeed, in their work, Erikson and Goldthorpe (1992) move between seven-, five- and three-class versions⁷ of the Goldthorpe class schema and never, in fact, employ the full 11 categories. They note that 'while preserving the underlying idea of the schema that classes are to be defined in terms of employment relations... the differentiation [of classes] ... could obviously be much further extended, were there good

reason to do so' (Erikson and Goldthorpe 1992, p. 46, fn. 18). This is consistent with their assertion that the class schema is an *instrument du travail* rather than a definitive map of the class structure.

Despite the fact that positions are put into classes according to their relationship to the means of production and then to the kind of employment relationship they display, the Goldthorpe schema has never, in fact, been operationalized by measuring these characteristics of positions and assigning them to classes on this basis. Instead, occupations are assigned to classes on the basis of knowledge about their typical employment relations. This has been done for pragmatic reasons. One important benefit is that data that have already been collected can be coded into the schema. This was the case with the national data sets used in the CASMIN (Comparative Analysis of Social Mobility in Industrial Nations) project, which led to *The Constant Flux* (Erikson and Goldthorpe 1992). But this is not to say that the same occupations need always be assigned to the same classes. Occupations could change their class location over time and the same occupation could be placed in different classes in different countries (something that seems to have been allowed for in the CASMIN project: see Erikson and Goldthorpe 1992, p. 50-1).

But because the type of employment relationship is defined by a number of different features (salary increments, pension rights and assurances of security are among features of the service relationship listed by Erikson and Goldthorpe), the question arises of the extent to which they do in fact occur together within occupations. If, for example, these dimensions of employment relationships were only weakly related to one another this would call into question the operationalization of the underlying concepts in the form of classes. Evans and Mills (1998) address this issue using British survey data collected in 1984 to analyze the relationship between nine indicators of the employment relationship. These include whether or not the job requires the employee to clock on at a set time, the way in which the employee is paid (piece rate, by the hour, performance related etc.), whether the job is on a recognized career ladder, and whether the employee can decide on how fast the work is done. They apply latent class analysis to these indicators and find four latent classes. This is a reasonably good indication, then, that these various aspects of the employment relationship do not vary independently: rather they mainly co-occur in four combinations. Furthermore, inspection of the pattern of the response probabilities for each item within each latent class suggests to Evans and Mills that these four classes correspond approximately to a white collar salariat; a class of lower level managers and supervisors; a routine non-manual class; and a class of manual wage workers. For example, the probability of clocking on is .05 in the first and third of these classes, while it is .54 in the purported lower level managers and supervisors class and .65 in the manual wage workers class. The first and last of these classes might be taken as the two polar types of service and wage labour relationship, with the others representing intermediate classes. And, indeed, Evans and Mills find that there is a very good match between these latent classes and the respondents' Goldthorpe classes: '78 per cent of latent type 1 can be found in Goldthorpe I and II, 95 per cent fall into I, II and IIIa. Similarly, no less than 89 per cent of latent type 4 are to be found in Goldthorpe VI and VIIab, 96 per cent in VI, VIIab and V' (Evans and Mills 1998, p. 95). They argue that these results point to the schema's high criterion validity: that is, the extent to which it succeeds in dividing 'the

occupational structure in such a way as to identify important cleavages in the job characteristics which are considered theoretically significant by Goldthorpe and his colleagues' (Evans 1992, p. 213).

In a later analysis, Evans and Mills (2000) use a much larger and more recently collected (in 1996) set of British data and a similar, though not identical, set of eight indicators of the employment relationship. The results of their latent class analysis this time reveal

A small latent class (1), between 8 and 13 per cent of the population, that are predominantly remunerated with a salary plus some other form of bonus or additional payment; have very high probabilities of not receiving overtime payments; have to give a month or more notice of resignation; and have control over start and quit times. At the other end of the spectrum we find a class (3), between 35 and 45 per cent with the opposite characteristics. ... Between these two groups are a class (2), between 45 and 52 per cent, which are predominantly salaried, tend to receive overtime payments, have to give more than one month notice to quit and are somewhat mixed with regard to their control over their working hours (Evans and Mills 2000, p. 653).

Not surprisingly they identify latent classes 1, 2 and 3 with a service, intermediate and labour contract respectively. But, in this case, when they turn to the question of the criterion validity of the scheme, Evans and Mills (2000, p. 657) conclude that there are some problems with the operationalization of the schema.

The majority of Goldthorpe's class II do not have a 'service' type of employment contract. The dividing line between the service and the intermediate classes appears to run through class II rather than between class II and class IIIa. We also estimate that about a third of class I employees do not have a 'service' contract.

This casts doubt on the sustainability of the practice of continuing to rely wholly on occupational titles as the basis of the empirical classification, at least in the British case, and at least for the purpose of locating the service class.⁸ The interval of 12 years between the collection dates of the two data sets used by Evans and Mills suggests that there has been some recent slippage between occupational titles and the Goldthorpe service class. One plausible assumption is that an inflation of occupational titles may have led to their becoming poorer indicators of the nature of the employment relationship, as in the increasing use of titles such as 'Manager' for a growing diversity of occupations. Moving to the use of direct measures of the employment relationship might, in any case, confer a benefit. It would allow researchers to determine which of the elements of the relationship were most strongly associated with particular class outcomes, and this would be of obvious value in the search to specify the mechanisms that link class position to these outcomes. Indeed, the absence of any precise explanation of what mechanisms link the type of employment relationship to variations in life chances is a notable weakness of the schema. The work of Evans and Mills has shown the extent to which the schema captures distinctions in the employment relationship, and a great deal of research has shown that class position is associated with differences in life chances (and in other outcomes). But what has generally been absent is a theoretical account of how such differences can be explained as the consequence of these distinctions and, following from this, attempts to subject these to empirical test. This problem

has been recognized by Goldthorpe and others (Erikson and Goldthorpe 1992, Ch. 11; Breen and Rottman 1995b), and Goldthorpe (2000, ch. 11) has recently sought to address it. In order for these explanatory mechanisms to support the particular theory of class being advanced, however, they have to discriminate between alternative theories. In other words, the purported mechanisms should not be of such generality that they would serve equally well to explain the link between outcomes and more than one theory of class. This ‘specificity requirement’ as we might call it, may prove to be the most difficult condition to meet in developing a persuasive neo-Weberian theory of class.

The unit of class analysis

So far classes have been discussed as aggregations of positions, rather than individuals. The implicit mechanism that links class position and life chances is then, simply, that the individual’s life chances derive from the particular class position that he or she occupies (or, taking a lifetime perspective, from the sequence of positions he or she occupies). But not all individuals occupy one of these positions and, in these cases, life chances are held to derive through the relationship between such individuals and others who do occupy a position in the class structure. A child’s class position is then derived from its parents and the class position of a married woman is conventionally considered to derive from the position occupied by her husband. But the life chances of someone who does not occupy a position in the class structure, such as a child or a married woman who does not work outside the home, will depend not only on the position occupied by her parents or husband, but also on the nature of the relationship between her and her parents or husband. In other words intra-familial and intra-household relationships intervene between the market and the individual’s life chances. This issue is, of course, exactly the same as that which arises in studies of income inequality where considerations of the within-household distribution of income are rarely addressed empirically.

Notwithstanding these arguments, treating all the members of a household as occupying a single class position has long been standard among theorists of class. This is relatively unproblematic when only one member of a household occupies a position in the labour market, as in the male-breadwinner arrangement, but difficulties arise when both spouses work outside the home. Some authors (such as Heath and Britten 1984) want to retain the idea of a single class position for a household, but one that is determined by the class position of both spouses. Others (for example, Stanworth 1984) argue that spouses should be considered to have their own class position and, rather than the family occupying a single position in the class structure, its fate should be treated as a function of both. Goldthorpe and his collaborators have argued against both these points of view. They suggest that, because women typically have discontinuous labour market careers, analyses of female mobility will tend, as a result, to record a great deal of class mobility, much of which is artefactual. The appropriate unit of class analysis is therefore the household, and the class to which it and its members belong should be determined by the class position of whichever spouse has the more enduring attachment to the labour market. One way of measuring the latter is the so-called ‘dominance’ approach (Erikson 1984). Empirically it is the case that it is usually the male partner who proves to have the more enduring attachment to the labour market. ‘However, there is no presumption that this will always be the case ... it is not difficult to

envisage the circumstances ... under which the application of the dominance approach might lead to many more families being assigned to a class on the basis of the woman's occupation' (Breen and Rottman 1995a, p. 166-7).

One way of conceptualizing these competing approaches is to recast them in a slightly more formal way. Assume that our goal is to explain variation in some outcome, Y , measured at the individual or family level (such as a person's educational attainment or the standard of living of a family) in terms of social class, X , of which we have two possible measures (one for each spouse in a household), labelled X_m and X_w . Then the issues discussed above reduce to the question of the functional form of the relationship between Y and X_m and X_w . This can be written very generally as $Y = f(g(X_m, X_w))$. Here f specifies the form of the relationship between Y and $g(X_m, X_w)$ while g determines how X_m and X_w are treated in the analysis. The individual approach to class membership argues for a model that sets $g(X_m, X_w)$ equal to X_m and X_w , whereas so-called conventional approaches would specify g as a two to one mapping from (X_m, X_w) to X . In the dominance approach, for example, $g(X_m, X_w)$ is the function that picks out whichever of X_m and X_w is dominant. Written in this way it becomes clear that many functions could serve for g : for example, it could specify a relationship between a latent class, X , and two indicators, X_m and X_w . This slight formalization provides a way of resolving these problems empirically. Given that a neo-Weberian class analysis is concerned with the distribution of life chances, one might seek to determine, conditional on the choice of f , which of the possible functional forms for g best accounts for variation in individuals' life chances.

Conclusion

A neo-Weberian approach to class analysis rests on the construction of a schema based on principles that capture the major dimensions of positional differentiation in labour markets and production units that are important for the distribution of life chances. The chosen principle is the theoretical basis, and the corresponding class schema is its operationalization. Given this at least two important lines of empirical inquiry can be pursued. On the one hand, we might want to know how substantively important class is in explaining variation in life chances, particularly in comparison with other bases of social inequality such as ethnic group membership, gender, and so on. And of course such an inquiry can be extended to make comparisons in the strength of class effects between countries and through time. On the other hand, the existence and strength of the relationship between class and other outcomes are also matters for empirical investigation. But if the classes are meant to capture distinctions that are primarily relevant for the distribution of life chances, then members of a class may or may not behave similarly, hold similar attitudes, or engage in collective action, and so on. Inasmuch as variation in these or other outcomes can be causally traced to variation in life chances, or insofar as those aspects of the organization of labour markets and the production process that shape life chances are also determinants of these other outcomes, then we will find a relationship between them and class. Very often the causal link between life chances and an outcome like collective action will be contingent on other circumstances and then, as Weber recognised, there may or may not be a relationship with class. But in many cases there will be a consistent link between life chances and other outcomes. To revert to a point I made earlier: if life chances determine the conditions under which certain types of action are

undertaken – including the interests that people have (and which they may express in, say, voting) and the resources they can bring to bear (and which may be important in, say, shaping their children’s educational attainment) – then variations in these actions will be structured according to class position. But suppose that in a given case we find no relationship, as when classes are found not to be a basis of any common or collective identity. Should we therefore conclude that class is not important or that the particular classification is inadequate? My answer is that we should conclude that those distinctions that lead to differences in life chances are not ones that serve as a basis for collective identity. But the important point is that these latter sorts of outcome are not constitutive of a neo-Weberian class schema. For example, what are termed *gemeinschaftlich* ideas of class – that is, classes as subjectively real communities – are not a necessary part of the neo-Weberian approach.⁹

But even if these other outcomes are not constitutive of class understood in the neo-Weberian sense, the importance of class as a sociological concept will certainly depend upon how strongly it is related to them, as well as to life chances. If class did not predict significant outcomes it would be of little interest. What is clear, however, is that in many of the areas central to sociological endeavor there is little evidence that the influence of class is declining and, indeed, some evidence that its influence is growing. Shavit and Blossfeld’s (1993) edited collection shows that the influence of class origins on children’s educational attainment showed no decline over the course of the twentieth century in thirteen developed nations. The papers in Evans (2000) demonstrate that the much vaunted ‘general decline of class voting’ is an inaccurate description of the rather complex and cross-nationally varying trends in this phenomenon. Class voting seems to have weakened in Scandinavia, but in Germany, France and elsewhere no such temporal change is evident. Lastly, in the area of social mobility, Breen and Goldthorpe (2001) show that in Britain, during the last quarter of the twentieth century, there has been no change in the extent to which class origins help shape class destinations. This holds true even controlling for educational attainment and measures of individual ability. This result may then be added to the evidence of longer-term temporal stability in patterns of class mobility in Europe reported by Erikson and Goldthorpe (1992).

Figure 1: Dimensions of work as sources of contractual hazard, forms of employment contract, and location of employee classes of the schema (from Goldthorpe 2000: 223, figure 10.2)

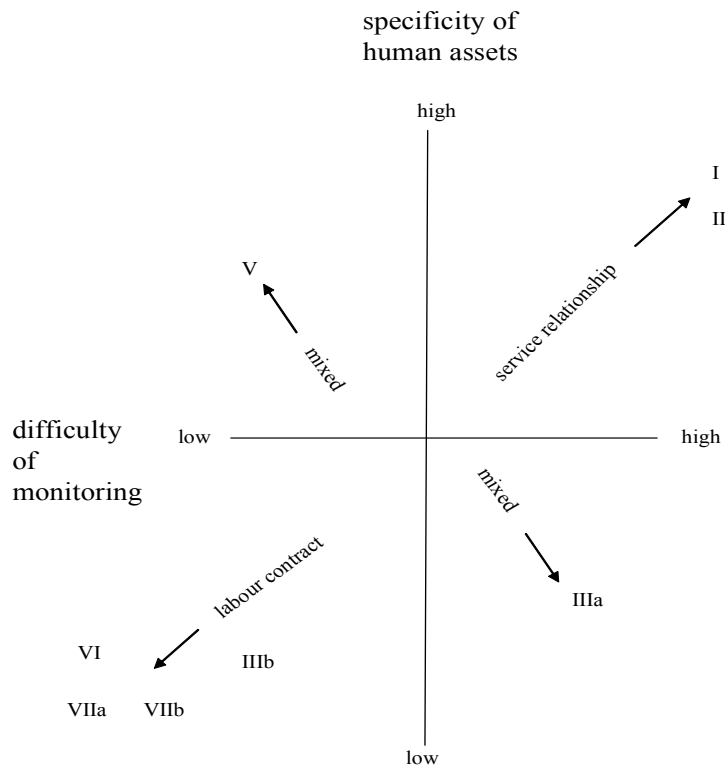


Table 1 Possible Aggregations of the Goldthorpe class schema

| 11-class (maximally disaggregated) version | 7-class version | 4-class version |
|--|--------------------------------------|-------------------------------------|
| I Upper service class | I Upper service class | I+II Service class |
| II Lower service class | II Lower service class | |
| IIIa Routine non-manual employees, higher grade | III Routine non-manual | IIIa+V Intermediate class |
| IIIb Routine non-manual employees, lower grade | | IIIb + VI + VII Manual class |
| IVa Small proprietors with employees | IV Petty-bourgeoisie | IV Petty-bourgeoisie |
| IVb Small proprietors without employees | | |
| IVc Farmers and other self-employed workers in primary production | | |
| V Lower grade technicians and supervisors of manual workers | V Technicians and supervisors | IIIa+V Intermediate class |
| VI Skilled manual workers | VI Skilled manual | IIIb + VI+VII Manual class |
| VIIa Semi- and unskilled manual workers (not in agriculture) | VII Non-skilled manual | |
| VIIb Semi- and unskilled manual workers in agriculture | | |

Notes

¹ See Weber (1978, p. 302-5). The development of neo-Weberian ideas of ‘class closure’ and of exclusion and usurpation, associated with the work of Parkin (1979, Murphy 1988) draws much more on Weber’s discussion of status groups rather than classes. He writes that ‘not much of a general nature can be said about the more specific kinds of antagonism between classes’ (1978, p. 930) – which I take to mean that, although there are conflicts between classes, these do not follow a general form but are, instead, conditioned by specific historical circumstances.

² There are very many descriptions of the Goldthorpe schema, but the clearest and most detailed is to be found in Erikson and Goldthorpe 1992, chapter 2, while Goldthorpe 2000, chapter 10 provides an extended discussion of the schema’s rationale.

³ When applied to the United Kingdom this means less than 25 employees.

⁴ It may seem strange that the 7-category version of the schema puts classes IIIa and IIIb together. However, this version was initially used by Goldthorpe in his analysis of social mobility among men in England and Wales. The version used later by Erikson and Goldthorpe, although it differed slightly from the seven categories shown in Table 1, also amalgamated IIIa and IIIb, but, once again, this was developed for the analysis of men’s mobility. Relatively few men occupy positions in IIIb, and those positions that are occupied by men are typically closer to those in IIIa than are the positions occupied by women. Thus in their chapter analyzing women’s mobility, Erikson and Goldthorpe (1992, chapter 7) place class IIIb together with class VII.

⁵ Goldthorpe’s reluctance to identify his class schema as Weberian is well-known. While acknowledging that the principles of the schema have been largely adopted from Marx and Weber, he writes ‘our own approach has often been referred to and discussed as ‘Weberian’, but we would not regard this as particularly informative or otherwise helpful: ... it is consequences, not antecedents, that matter’ (Erikson and Goldthorpe 1992, p. 37, fn. 10).

⁶ Weber overcomes this objection by employing two sets of criteria. Members of a class share common life chances, but social classes are made up those classes between which mobility is common. Breiger (1982) applies this idea to analyze a 17-occupational group mobility table, in which both the pattern of mobility and the underlying class structure (an aggregation of the original 17 categories) are tested for their goodness-of-fit with the original data. However, his approach has not been widely followed.

⁷ The five class version groups together I, II and III into a white-collar class; IVa and IVb into a petty-bourgeoisie; IVc and VIb into farm workers; V and VI into skilled workers; and VIIa is left as the class of non-skilled workers. The three class version then places IVa and IVb with I, II and III in a non-manual workers class, V, VI and VII in a manual workers class; and retains the farm workers class (IVc and VIb).

⁸ One difficulty with these analyses that should be mentioned, however, is that they elicit information from employees, whose responses may well relate more to their own position and experiences, rather than to the characteristics of the position that they occupy (for example in questions about the likelihood of promotion). Information about positions might be better collected from employers.

⁹ Indeed, in Goldthorpe’s own work, and that of those who use his class schema, relatively little attention is now paid to issues of demographic class formation and their consequences (in contrast, for example, to Goldthorpe’s (1980) earlier work on mobility in England in Wales). Rather, the class schema is now mainly employed as a means of capturing inequalities in life chances.