

# A very short guide to class

*There is a lot of confusion about the basic concepts of socialism. This glossary is designed as a very basic “starter” to for those interested in understanding concepts of class.*

It is important to note that class in Marxist terms describes someone’s relationship to the “means of production” eg do they make their money from owning things or from having to earn a wage. It is of course doesn’t tell us everything about who a person is. For example, some wealthy people are progressive and some poor people are conservative.

There are other differences between people in terms of culture, gender and other forms of social identity. Marxism does not seek to make these differences disappear or deny their importance. Marxists seek to explain that the fundamental division in society is between classes, and that class division and conflict is what ultimately drives politics, economics and history.

## **Working Class**

In Marxist terms, the working class is everyone who has to survive by earning a wage eg by selling their labor. This is the vast majority of humanity who all share the same social interests of wanting access to good working conditions, healthcare, education and a clean environment. Marxists also call the working class the proletariat.



The working class is not just “blue collar” or industrial workers but teachers, nurses, retail workers, people in the service industry etc but everyone who survives by earning a wage.

The working class however is not uniform in terms of its wealth. What is commonly called the “middle class” is really just a layer of the working class that is more comfortable financially.



**Why do Marxists focus on the working class?**

This is because the working class is the only international class, with shared social interests which is large enough and organised enough to overthrow capitalism, the system that exploits it. The working class now numbers in the billions and as Marx stated capitalism creates “its own gravediggers”.

## Ruling Class

The ruling class, or capitalist class, is the small percentage of society that makes their money not through earning a wage but from the profits from what they own eg their investments.. They own the “means of production” eg all the factories, banks, companies etc by which things are produced. Each country has its own ruling class which compete with each other. In Marxist theory the ruling class is also called the Bourgeoisie.

## How do capitalists make money?



Bill Gates – richest man in the world. Net worth \$105 billion

The ultimate source of their wealth or profit is the work done by the working class. Workers sell their labor to capitalists in order to produce commodities eg things or services. Capitalists exploit workers' labor by paying them less in wages than the value they produce. Marxists call this difference between what a worker is paid and the wealth they produce – surplus value. Surplus value is the source of capitalist profit.. The capitalists take the profits and use them to accumulate more money for themselves. All the wealth of the rich is ultimately therefore produced by the working class.

### **Other classes**

Of course not everyone fits into the working class or the ruling/capitalist class. Intermediate classes exist between the working class and the bourgeoisie. All of these other classes, however, like the working class are exploited by the ruling class for profit.

**Peasants** – In many parts of the world many people still live on the land as poor farmers



Farmers in Bolivia

**Underclass** – Some people live largely outside the formal economy and are so poor they are not part of the working class. This could also include people who subsist on welfare.

**Petty bourgeois:**

**Small business** owners are categorised as “petty bourgeois” as they are not waged workers, **but neither are they part** of the ruling class as they are not economically powerful and only own a small amount of capital.

The **upper middle class** is also classified by Marxists as petty-bourgeois. Although they earn a wage or salary, they are so privileged that as whole they see their interests as more aligned with the ruling class than the mass of the working class. This would include managers, union bureaucrats, well paid professionals etc

## **What is capitalism?**

Capitalism is the current global economic system that dominates the globe. It is a system where the “means of production” is owned privately by individuals, the ruling or capitalist class. The aim of the production is to maximize profit or capital for the ruling class. Under capitalism, the world is divided up into competing nation states, each with its own ruling class.

## **What is socialism?**

Socialism is a system where the “means of production” are owned and run for the benefit of all. All of the wealth and

the productive capacities of humanity are organised for the common good not private profit. True socialism must be implemented internationally, not just in one country. You cannot have isolated socialist countries existing inside a global capitalist system. Although the task of overthrowing capitalism falls to the working class, the aim of socialism is not to replace domination of one class with another to work towards a society where class is abolished. Just as capitalism did not establish itself over night, nor will socialism. It will be the work of an historic period. However, it is becoming clearly by the day that humanity and the planet cannot survive unless we put an end to the profit system.